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Rules of Governmental Agencies

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July 7, 1995 Volume 19, Issue 27

INTRODUCTION

The *Illinois Register* is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category. The Register also contains a Cumulative Index listing alphabetically by agency the Parts (sets of rules) on which rulemaking activity has occurred in the current Register volume year and a Sections Affected Index listing by Title each Section (including supplementary material) of a Part on which rulemaking activity has occurred in the current volume year. Both indices are action coded and are designed to aid the public in monitoring rules.

Rulemaking activity consists of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State statute; and activities (meeting agendas, Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State agencies; is also published in the Register.

The Register is a weekly update to the *Illinois Administrative Code* (a compilation of the rules adopted by State agencies). The most recent edition of the Code along with the Register comprise the most current accounting of State agencies' rules.

The Illinois Register is the property of the State of Illinois, granted by the authority of the Illinois Administrative Procedure Act [5 ILCS 100/1-1 et seq.].

REGISTER PUBLICATION SCHEDULE 1995

Material Rec'd after 12:00 p.m. on:	And before 12:00 p.m. on:	Will be in Issue #:	Published on:	Material Rec'd after 12:00 p.m. on:	And before 12:00 p.m. on:	Will be in Issue #:	Published on:
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Please note: When the Register deadline falls on a State holiday, the deadline becomes 4:30 p.m. on Monday *(the day before).*

Printed by authority of the
State of Illinois
July 1995 – 890 – GA-1523

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Client Service Planning

2) Code Citation: 89 Ill. Adm. Code 305

3) Section Numbers: Proposed Action:

305.50	Amend
305.90	Repeal

4) Statutory Authority: The Children and Family Services Act [20 ILCS 505].

5) A Complete Description of the Subjects and Issues Involved: Section 305.50 is being amended to include in the service plan the reasons why siblings have been placed apart and what efforts are being made to find a joint placement for them. Section 305.90 is being repealed. Parent-Child Visitation has been retitled Family-Child Visitation and has been moved to 89 Ill. Adm. Code 301, Placement and Visitation Services.

6) Will this proposed amendment replace an emergency rule currently in effect? No

7) Does this rulemaking contain an automatic repeal date: No

8) Does this proposed amendment contain incorporations by reference? No

9) Are there any other amendments pending on this Part? Yes

Section	Proposed Action	Illinois Register Citation
305.20	Amend	March 24, 1995 (19 Ill. Reg. 3619)
305.30	Amend	March 24, 1995 (19 Ill. Reg. 3619)
305.40	Amend	March 24, 1995 (19 Ill. Reg. 3619)

10) Statement of Statewide Policy Objectives: These amendments do not create or expand a state mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3].

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Comments on this proposed rulemaking may be submitted in writing for a period of 45 days following publication of this notice. Comments should be submitted to:

Jacqueline Nottingham, Chief
Office of Rules and Procedures
Department of Children and Family Services
406 East Monroe
Springfield, Illinois 62701-1498
Telephone: 217/524-1983
TTY: 217/524-3715

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The Department will consider fully all written comments on this proposed rulemaking submitted during the 45-day comment period. Comments submitted by small businesses should be identified as such.

12) Initial Regulatory Flexibility Analysis: The Department has determined that the proposed amendment does not have an affect on small businesses.

13) Regulatory Agenda: A regulatory agenda for these proposed amendments was published in the *Illinois Register* on January 13, 1995.

The full text of the proposed amendment begins on the next page.

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SUBCHAPTER a: SERVICE DELIVERY

PART 305
CLIENT SERVICE PLANNING

Section
305.10 Purpose
305.20 Definitions
305.30 Introduction to Client Service Planning
305.40 Types of Permanency Goals and Alternative Permanency Options
305.50 Service Plan
305.60 Case Review System
305.70 Roles and Responsibilities of the Administrative Case Reviewer
305.80 Decision Review
305.90 Parent-Child Visitation (Repeal)
305.100 Evaluating Whether Children in Placement Should Be Returned Home
305.110 Termination of Parental Rights
305.120 Planning for the Termination of Services
305.130 The Department's Role in the Juvenile Court
305.140 Compliance With the Client Service Planning Requirements

AUTHORITY: Implementing and authorized by the Children and Family Services Act [20 ILCS 505], the Abused and Neglected Child Reporting Act [325 ILCS 5], the Adoption Assistance and Child Welfare Act of 1980, amending Section 475 of the Social Security Act (42 U.S.C.A. 670 et seq.), the Juvenile Court Act of 1987 [705 ILCS 405], and the Adoption Act [750 ILCS 50].

SOURCE: Adopted and codified at 5 Ill. Reg. 14456, effective December 29, 1981; amended at 8 Ill. Reg. 21570, effective November 1, 1984; amended at 9 Ill. Reg. 7920, effective May 31, 1985; recodified at 16 Ill. Reg. 12772; amended at 16 Ill. Reg. 16552, effective October 19, 1992; amended at 18 Ill. Reg. 17200, effective December 1, 1994; amended at 19 Ill. Reg. 7171, effective June 1, 1995; amended at 19 Ill. Reg. _____, effective _____.

Section 305.50 Service Plan

a) Purpose of the Service Plan
The service plan is a written plan which is established between the Department, the purchase of service providers, and, if possible, the child(ren) ~~child~~ and family served. Service plans approved by the Department are required regardless of whether the child and family are served directly by the Department or through purchase of service providers. The initial service plan shall be completed within 30 days of case opening and at least once every six months thereafter. The service plan shall be changed and updated as the child and family's

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situation changes and shall be reviewed regularly as specified in Section 305.60 ~~305.6~~.

b) Contents of the Service Plan
Service plans shall contain the following information:
1) the names of the children for whom the Department is legally responsible or to whom the Department is providing services;
2) the problems that threaten family stability or could lead to placement of the children away from the family home or have resulted in placement of the children away from the family home and an identification of any problems that are causing continued placement of the children away from the home;
3) what outcomes would be considered a resolution to these problems;
4) the services to be provided to the parents, the children while in care and the foster parents (if necessary when children are placed in foster care), that may best resolve these problems;
5) a description of a child's physical, developmental, educational or mental disability and any non-educational specialized services the child is receiving or should receive for each disability. If an Individual Treatment Plan (ITP) or Rehabilitative Services Plan exists for a child, it shall be included in the record;
6) a description of the educational program/services the child is receiving or needs to receive (including information regarding Early Intervention, Headstart, or Pre-Kindergarten services for preschool children). If an Individualized Education Plan (IEP) or an Individualized Family Service Plan (IFSP) exists for a child, the IEP or IFSP shall be included in the record;
7) who will provide the services, how often they will be provided, and an explanation of why these services will meet the needs of the child;
8) if children are placed out of the parents' home, the reasons for the out of home placement and an explanation of why that placement setting was chosen;
9) if siblings are placed apart from one another, the reason why they are placed apart and what efforts are being made to find a joint placement for the sibling group;
10) ~~9~~) the permanency goal for each child;
11) ~~10~~) the responsibilities of the family and the child (when appropriate) in fulfilling the service plan;
12) ~~11~~) the responsibilities of the Department and purchase of service providers, if any, in fulfilling the service plan;
13) ~~12~~) when children and families are separated, the parent-child visitation plan, if visitation is not prohibited by court order. This plan shall include the time and place of visits, the frequency of visits, the length of visits, and who shall be present at the visits;
14) ~~13~~) the timeframes for achieving the permanency goal and the objectives to resolve identified problems and the specification of any consequences to the child and family if the time frames

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are not met;

15) ~~14)~~ a statement that the parents or children may disagree with the service plan and that they may have their disagreement recorded; and

16) ~~15)~~ an explanation of how parents or children may request an appeal and fair hearing.

c) Copies of the Service Plan
Copies of the service plan shall be distributed in accordance with the Department's rules on confidentiality (89 Ill. Adm. Code 431, Confidentiality of Personal Information of Persons Served by the Department) to:

1) the parents (unless parental rights have been terminated or the Department has filed a petition seeking the termination of parental rights);
2) the putative father, if he is participating in planning for the child;
3) the purchase of service providers, including the foster parents or relative home caretakers. Foster parents or relative home caretakers will receive copies of the child's portion of the service plan and will receive other portions of the plan when they have successfully completed training prescribed by the Department. Such training will consist of topics related to the service planning and review process, including an overview of the participants, positive communication, especially in confrontational situations, confidentiality requirements and limitations, preparation for visits and reunification;
4) the child invited to the case review;
5) appropriate Department staff;
6) the guardian ad litem and legal represenative of the child; and
7) the Juvenile Court when the court has jurisdiction. The initial service plan must be submitted to the court within 30 days after a child's placement.

d) Revising the Service Plan
The service plan shall be revised:

1) if the current permanency goal is no longer appropriate;
2) if the current service plan does not address the child's needs;
3) within six months of establishing the original service plan;
4) at least every six months thereafter.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 305.90 Parent-Child Visitation (Repeal)

~~a) The Department recognizes that there is a strong correlation between regular parental visits and contacts with a child and the child's discharge from placement services. Therefore, when a child is in placement and the permanency goal is return home, parent-child visits,~~

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~~telephone calls at reasonable hours, and mail are encouraged unless they have been prohibited by court order. The responsible agency shall arrange for parent-child visits and shall advise parents that repeated failure to visit according to the visiting plan shall be considered a demonstration of a lack of parental concern for the child and may result in the Department seeking a termination of parental rights.~~

~~b) When the permanency goal is return home, a visiting plan shall:~~

~~1) be established before placement or within 3 working days after placement out of home unless the placement was an emergency;~~
~~2) be established within 10 working days after an emergency placement;~~
~~3) specify that visits are to begin immediately;~~
~~4) specify that parents shall be expected to visit weekly unless there is documentation to the contrary in the case record;~~
~~5) increase in length unless specific harm to the child is caused by the visits;~~
~~6) specify visiting in the home of the child's parents, if consistent with the safety and well being of the child. When visits in the home of the child's parents are not consistent with the child's safety and well being, visits shall be in the most homelike setting possible. Office visits are acceptable if structure is necessary to evaluate or protect the child; and~~
~~7) specify the responsibilities of the Department, the purchase of service providers, the parents, and the child in regard to visitation.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Industrial Training Program

2) Code Citation: 56 Ill. Adm. Code 2650

3) Section Numbers: Proposed Action:

2650.10	Amendment
2650.20	Amendment
2650.30	Amendment
2650.40	Amendment
2650.50	Amendment
2650.110	Amendment
2650.120	Amendment
2650.130	Amendment
2650.140	Amendment
2650.210	Repealed
2650.220	Repealed
2650.230	Repealed
2650.240	Repealed
2650.250	Repealed
2650.310	Amendment
2650.320	Amendment
2650.330	Amendment
2650.340	Amendment
2650.350	Repealed

4) Statutory Authority: Implementing Section 46.19a(1) and authorized by Section 46.42 of the Civil Administrative Code of Illinois (Ill. Rev. Stat. 1991, ch. 127, pars. 46.19a(1) and 46.42) [20 ILCS 605/46.19a(1) and 46.42]; and P.A. 88-0456.

5) A Complete Description of the Subjects and Issues Involved: In Public Act 88-0456, the Industrial Training Program was expanded to permit the Department to award grants to assist with the common training needs of multiple companies. These amendments describe this new category of eligible applicants, the eligible training activities, the application procedures, documentation and evaluation, as well as selection criteria and reporting requirements.

6) Will these proposed amendments replace an emergency amendment currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any proposed amendments pending on this Part? No

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10) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a state mandate as defined in Section 3(b) of the State Mandates Act (Ill. Rev. Stat. 1991, ch. 85, par. 2203) [30 ILCS 805/3].

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning this proposed rulemaking in writing within 45 days after this edition of the *Illinois Register* to the following:

Mr. E. Norman Sims, Deputy Director
Bureau of Community Development
Department of Commerce and Community Affairs
620 East Adams Street, 6th Floor
Springfield, IL 62701
(217) 785-6174
T.D.D.: (217) 785-6055

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses and small municipalities affected: These amendments will not affect municipalities. The amendments offer training assistance opportunities to interested manufacturing businesses, both small and large.

B) Reporting, bookkeeping or other procedures required for compliance: Monthly reimbursement reports must be filed with the Department. Project Summary and evaluation reports may be required. Bookkeeping is required in accordance with generally accepted accounting practices.

C) Types of professional skills necessary for compliance: Applicants would already possess the necessary skills for compliance.

13) State reason(s) for this rulemaking if it was not included in either of the two (2) most recent regulatory agendas:

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

NOTICE OF PROPOSED AMENDMENTS

TITLE 56: LABOR AND EMPLOYMENT
CHAPTER III: DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

PART 2650
INDUSTRIAL TRAINING PROGRAM

SUBPART A: GENERAL REQUIREMENTS

SUBPART B: SINGLE COMPANY ~~INDUSTRIAL FIRMS AND MAJOR EMPLOYER~~ APPLICANTS

SUBPART C: SECONDARY AND POST-SECONDARY EDUCATION INSTITUTION APPLICANTS (Repealed)

SUBPART D: MULTI-COMPANY AND MEMBERSHIP TRAINING ~~MANUFACTURING~~ PROJECT APPLICANTS

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

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2650.350 Administrative Requirements (Repealed)

AUTHORITY: Implementing Section 46.19a(1) and authorized by Section 46.42 of the Civil Administrative Code of Illinois (Ill. Rev. Stat. 1991, ch. 127, pars. 46.19a(1) and 46.42) [20 ILCS 605/46.19a(1) and 46.42]; and Public Act 88-0456.

SOURCE: Adopted at 11 Ill. Reg. 11642, effective June 29, 1987; recodified at 13 Ill. Reg. 15386; emergency amendments at 13 Ill. Reg. 16126, effective September 27, 1989, for a maximum of 150 days; emergency expired February 24, 1990; amended at 14 Ill. Reg. 5075, effective March 20, 1990; amended at 16 Ill. Reg. 17969, effective November 17, 1992; amended at 19 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL REQUIREMENTS

Section 2650.10 Purpose

Through the Illinois Industrial Training Program (Program), the Department of Commerce and Community Affairs (Department) will provide training grants to ~~for-profit~~ businesses operating or locating in Illinois in conjunction with planned permanent expansion, location or retention activities; and to multi-company ~~manufacturing~~ training projects sponsored by business ~~manufacturing~~ associations, institutions of secondary and higher education, strategic business ~~manufacturing~~ partnerships, ~~consultants and~~ grant recipients or administrative entities under the Job Training Partnership Act or any successor federal employment and training programs, large manufacturers for supplier network companies, and labor organizations~~; and to institutions of higher or secondary education to encourage the creation of new enterprise development and new business formation. The Department may also rent, purchase, or lease such equipment or machinery necessary to equip such job training programs or make grants to any higher or secondary education institution for such purposes~~. The purpose of the Program is to enhance employment opportunities for Illinois citizens by assisting Illinois employers in the training of their workforce, and to assist multi-company training ~~manufacturing~~ projects in addressing common employee training needs identified by participating companies~~, and to facilitate self-employment by encouragement and preparation through comprehensive, instructional programs and services~~.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.20 Definitions

Director - The Director of the Department of Commerce and Community Affairs.

Employee Training - Training programs, either on-the-job, classroom or any combination thereof, sponsored by an employer or other eligible

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grant recipient on behalf of employers, which are intended to provide employees with the skills required to perform their current job or as a condition of continued employment. The employee skill requirements are established by the employer or participating employers and may include basic, technical and managerial skills.

Grantee - Any program applicant whose proposal is funded by the Department through a grant.

Labor Organization - Any collective bargaining unit or any labor entity formed by collective bargaining units such as state labor councils, district labor councils, local central labor councils and international unions as well as the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO).

Large Manufacturers Supplier Network - Any company located or with facilities in the State of Illinois which supplies products or services to an original equipment manufacturer or large manufacturing assembly facility in Illinois.

Location Activities - Activities necessary to place or attract new companies to Illinois (e.g., training).

~~Manufacturing--Concern---Any-plant,-factory,-or-business-that-produces a-manufactured-product.~~

Multi-Company Training ~~Manufacturing~~ Project - Any project submitted for the benefit of more than two ~~manufacturing~~ companies which addresses the common employee training, retraining or skills upgrading needs identified by participating companies.

New Employee - An individual who is hired by the grantee during the term of a training contract or who is permanently transferred to Illinois during the term of a training contract.

Planned Permanent Expansion - Any of the following will apply:

Permanent increase in the workforce (no minimum number of new jobs required);

Addition of new product line or expansion of existing product line; or

New capital investment in machinery or equipment.

Retention Activities - Activities necessary to keep existing companies in Illinois that might otherwise leave the State or reduce their workforce (e.g., retraining, upgrading, cross-training).

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Retraining - The training of an employee with the intent that the employee will learn to perform a significantly different type of job than was previously held by that employee.

~~Self-Employment--Training--Program---Either--a--structured--long-term, in-depth-counseling-assistance-program,-or-a-competency-based-business management--training--program--in--which--demonstrated-proficiency-and ability-to-complete-a-business-and-financing-plan-is-a-prerequisite-to successful-completion.~~

Strategic Business ~~Manufacturing~~ Partnership - A formal or informal ~~partnership--with-a-legally-binding-partnership~~ agreement between more than two businesses ~~manufacturers~~ with facilities in Illinois, ~~--or--a temporary,-informal-agreement-between-more-than-two-manufacturers-with facilities--in--Illinois,~~ where ~~the--purpose--of~~ an objective of the partnership is to address employee training or other common workforce development issues among the participating businesses ~~companies. The employee--training--activities--of--informal--strategic--manufacturing partnerships-may-be-coordinated-and-sponsored-by-a-large-manufacturing company-with--facilities--in--Illinois--if--that--large--manufacturing company--is--an--active--member--of--the--partnership-and-the-training activities--address--the--common---training---needs---of---the---other manufacturing-companies-participating-in-the-partnership.~~

Trainee - An existing or newly-hired employee of a company who is participating in a training, retraining or skills upgrading program.

Upgrade Training - The enhancement of employees' job skills with the intent that the employee will continue working at the same type of job (e.g., cross-training of skilled employees).

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.30 Eligible Applicants and Training Activities

a) Any business ~~manufacturing~~ concern locating, expanding, or having a facility(ies) ~~established~~ in Illinois and that is undertaking ~~meets any~~ one or more of the following training activities ~~criteria~~:

1) Training programs in response to new or changing technologies or processes being introduced in the workplace ~~Permanent-expansion of-its-workforce;~~

2) Training necessary to implement total quality management or improvement systems in the workplace ~~Upgrading-or-retraining-its workforce-in--response--to--changes--in--the--technology--of--the manufacturing-process-(i.e.,-retooling);~~

3) Job-linked training to upgrade existing employees' skills that leads directly to long-term job security; ~~New--or--additional~~

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~~product lines;~~ or

4) Training employees in skills necessary to enable the company to establish or expand into new export markets; ~~Engaged in activities designed to increase the quality and/or reduce the cost of manufactured products (e.g., just-in-time inventory systems, blueprint reading, statistical process control, and material resource planning);~~

5) Training in conjunction with new or additional product lines;

6) Training related to new machinery or equipment;

7) Training new or existing employees of companies that are locating or expanding in Illinois;

8) Basic and/or remedial training of employees as a prerequisite for other vocational or technical skills training; and

9) Training related to regulatory compliance issues mandated for the workplace.

~~b) The Director will also accept applications from any other Illinois employer that is:~~

~~1) expanding its workforce by at least 100 full time employees and the company will not directly compete with other local businesses which offer products or services of a similar nature (e.g., grocery stores, restaurants) which jeopardize existing jobs and negate the purpose of the training funds;~~

~~2) making a capital investment in Illinois of at least $1,000,000 dollars and the company will not directly compete with other local businesses which offer products or services of a similar nature (e.g., grocery stores, restaurants) which jeopardize existing jobs and negate the purpose of the training funds; or~~

~~3) engaged in activities designed to establish or expand export markets (e.g., research, consulting, mentor programs, seminars, redesign of products). These activities may include multi-company or industry specific projects.~~

~~b)~~ c) The Director also will accept applications submitted by Illinois-based business ~~manufacturing~~ associations, institutions of secondary and higher education, strategic business ~~manufacturing~~ partnerships, ~~consultants and~~ grant recipients or administrative entities under the Job Training Partnership Act, large manufacturers for supplier network companies, and labor organizations on behalf of multi-company training ~~manufacturing~~ projects where such projects address the common employee training needs identified by participating companies or the common training needs identified by the organization's membership. Eligible training activities for multi-company or membership training projects include, but are not limited to, one or more of the following:

1) Training programs in response to new or changing technology being introduced in the workplace.

2) Job-linked training to upgrade existing employees' skills that leads directly to long-term job security.

3) Training necessary to implement total quality management or

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improvement systems within the workplace.

4) Training related to new machinery or equipment.

5) Training of employees or companies that are expanding into new markets or expanding exports from Illinois.

6) Basic and/or remedial training of employees as a prerequisite for other vocational or technical skills training.

7) Other training activities and/or projects related to the support, development or evaluation of job training programs, activities and delivery systems, including training needs assessment and design.

~~d) Public or proprietary institutions of higher or secondary education may also apply for training funds for the following purposes:~~

~~1) To establish self employment training programs targeted to assist unemployed or underemployed individuals in underdeveloped areas, especially within enterprise zones, to encourage and prepare clients to create new enterprise development and new business formation;~~

~~2) To rent, purchase, or lease the machinery or equipment necessary to equip such training programs as described in subsection (a) of this Section, where the institution will receive a cash match from a company which has need for the training in an amount that is at a minimum equal to the training funds requested.~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.40 Allowable Costs

a) Grants for employee training to single companies will allow for the reimbursement of up to 50% of the total approved training costs. Allowable costs for single company training projects include: ~~Grants for employee training will consist of the payment of up to 66 2/3% of wage and fringe benefits for a specified training time for each employee and/or job classification. The grants also allow for up to 66 2/3% of costs such as instructors, trainers salaries and fringe benefits, travel expenses, training materials, and administrative expenses such as the cost of secretarial bookkeeping costs.~~

1) Instructor costs, including wages, fringe benefits and travel expenses.

2) Costs for tuition and educational fees.

3) Training materials.

4) Rent or lease of training equipment and/or facilities.

5) Other usual and customary training costs.

6) Trainee travel expenses.

7) Trainee wages and fringe benefits.

b) Grants for multi-company or membership training projects will allow for the reimbursement of up to 50% of the total approved direct training costs. For the multi-company training projects, the

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Department requires that a minimum of 50% of the local contribution be a direct cash contribution toward the training project by the companies participating in the training project. Allowable costs for multi-company or membership training projects include: ~~Grants to eligible applicants for multi-company manufacturing projects for common training needs will consist of the payment of up to 66 2/3% of the approved training costs for a specified training time for each employee and/or job classification of the employees participating in the training project.~~

1) Administrative costs of tracking, documenting, reporting and processing training funds or project costs. Administrative costs must be reasonable and shall not exceed 15% of the total approved direct training costs, including indirect costs.

2) Costs of curriculum development. The Department will only reimburse for the costs of curriculum development when such curricula are judged by the Department as being of benefit to multiple Illinois employers and such curricula will be considered to be in the public domain.
The Grantee shall include the following statement in all written materials produced in whole or in part by funds awarded under this Grant Agreement: "This publication and material were supported in whole or in part by an Industrial Training Program grant awarded by the Illinois Department of Commerce and Community Affairs. Representations made by this publication and material do not necessarily reflect the opinions and conclusions of the Department."
The Department reserves the right to request at least one copy of all training materials used by the Grantee or any subcontractor for training which is eligible for reimbursement under the grant. The Department will not distribute any proprietary information nor circulate any training materials without the expressed consent of the Grantee or subcontractor with the exception of those materials which are developed in whole or in part with State funds.

3) Training materials, including manuals, workbooks, videotapes and other materials that are used for training purposes only. Any item that can be depreciated will not be considered to be training materials.

4) Instructor costs, including wages, fringe benefits, tuition and travel expenses.

5) Rent or lease of training equipment and/or facilities.

6) Other usual and customary training costs.

~~c) Grants to eligible applicants providing self employment training programs to unemployed and underemployed shall have a state's contribution limit of 66 2/3% of the costs of the approved program, except in those programs where at least 50% of the program participants are unemployed, handicapped, or receiving state welfare assistance in which case the state's contribution may be greater than 66 2/3% but not more than 100%.~~

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(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.50 Grant Administration Requirements

a) Audits - The Department reserves the right to conduct special audits at any time during normal working hours of funds expended under Department grants (e.g., evidence of fraud or abuse). If the Grantee is a secondary or post-secondary education institution, it shall comply with the applicable audit requirements of 47 Ill. Adm. Code 130.

b) Monitoring - The Director will ensure that periodic on-site grant monitoring visits are conducted by the Department during the course of the grant period. The Department will verify that the Grantee's financial management system is structured to provide for accurate, current and complete disclosure of the financial results of the grant program in accordance with all provisions, terms and conditions contained in the grant contract. The Department also reserves the right to contact any company participating in a multi-company training project funded by this program to verify the information submitted by the Grantee on behalf of the participating company.

c) Training Evaluation Report -- The Grantee must submit to DCCA, within 60 days following the end of the grant period, a descriptive written evaluation of the results of the training experience by either the company, in the case of single-company grantees, or the companies participating in the training project, in the case of multi-company training projects. The narrative evaluation report should be based on the measurable outcomes or benefits contained in the grant application submitted and approved by DCCA. DCCA reserves the right to withhold any future year funding for noncompliance with this provision.

d) Reporting Requirements -- To receive reimbursement for training costs which have been incurred by a Grantee in accordance with the Scope of Work and Budget contained in the grant contract with the Department, the Grantee shall furnish evidence to the Department of having completed training by following either a monthly certification schedule or other schedule negotiated by the Department and the Grantee. This certification shall be filed on forms provided to the Grantee by the Department. Payments to the Grantee are subject to the initiation of an invoice-voucher which shall be due to the Department according to the schedule established in the grant contract. A project summary report shall be due to the Department either each month, or as negotiated, consisting of an analysis of major project activities; a listing of clients served, if the project served clients; and an evaluation of how the project's operation is related to the objectives of the grant.

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e) Grant Closeout -- The Grantee shall be responsible for completing the grant closeout package which shall be provided by the Department and identifies the financial status of these grant funds. The Grantee, upon submission of the closeout package, or within 45 days after expiration of the grant, whichever is first, shall refund to the Department any balance of funds which were unexpended or unobligated at the end of the grant period. In addition, the Grantee shall repay the Department for any funds that are determined by the Department to have been spent in violation of the grant contract. If the grant contract should terminate for any reason, the closeout package shall be due within 45 days after the date of termination.

f)~~b~~ For the purpose of Subparts B and D ~~C~~ of this Part, the following provisions specified in 47 Ill. Adm. Code 1.30, 1.40, 1.60, 1.70, 1.80, 1.90, 1.100, 1.105, 1.110, 1.120, ~~and~~ 1.140, and 1.185 are applicable. ~~In addition, for the purpose of Subpart C only, the following provisions specified in 47 Ill. Adm. Code 1.40, 1.60, and 1.130 are applicable:~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

SUBPART B: SINGLE COMPANY ~~INDUSTRIAL FIRMS AND MAJOR EMPLOYER~~ APPLICANTS

Section 2650.110 Application Procedures

Applications will be accepted at any time. Receipt of an application does not commit the Department to award a grant or to pay any costs incurred in the preparation of an application. The applicant should not procure, contract for, or incur costs for services or supplies prior to the signing of a written contract. The contents of an approved application will become part of the contract awarded to the applicant. All data, material, and documentation originated by an application and prepared for an application or contract shall belong exclusively to the State of Illinois and the Department. The Department will supply interested businesses with an application upon request. Applications for grant funds shall be submitted to the Office of Industrial Training in Chicago or Springfield ~~Program Manager~~ on forms provided by the Department along with any necessary attachments which may be required.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.120 Application Documentation

Applications will include documentation of the following:

a) Application Cover Page - which contains name, address, and telephone number of applicant; type of company; name, address, and telephone number of training provider, if different from an applicant; amount of

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program funds being requested; starting and ending dates of program; total number of new and upgraded employees to be trained; current number of employees working in administration and production; company Federal Employment Identification Number (F.E.I.N.); Standard Industrial Code (S.I.C.); Illinois Unemployment Insurance Account Code; Senate District number; Representative District number; authorized signatures; ~~and~~ indication whether the company is located in an Illinois State Enterprise Zone; indication whether company is reopening a facility which had been previously closed; the name of labor union(s) representing employees at the facility, if applicable; and an indication of whether the company applied for or received training assistance under the program in prior fiscal years.

b) Business Certification - a form which must be signed and dated by the Chief Executive Officer of the applicant company certifying that the applicant:

1) Understands that the receipt by the Department of an application for training assistance is not a guarantee or commitment by the Department for funding;

2) Agrees to discuss with representatives of the local Job Training Partnership Act (JTPA) office the hiring of JTPA-eligible individuals for new jobs which are created as a result of this project;

3) Agrees to submit to the Department, on a monthly basis, information regarding training activity as required for reimbursement under the Industrial Training Program;

4) Agrees to submit to the Department, within 60 days following the end of the grant period, a written evaluation of the results of the training experience by the company. The evaluation report should be based on the measurable outcomes or benefits contained in this grant application;

5) Maintains that it is a company in good standing, authorized to do business in Illinois and has no delinquent State tax liabilities;

6) Authorizes the Department of Commerce and Community Affairs to verify in any manner deemed appropriate any and all items indicated in this application which include information obtained through the Illinois Department of Employment Security, Consumer Credit Bureau Services and business reporting services such as Dun and Bradstreet;

7) Agrees to immediately notify the Department regarding any major business or personnel changes at their facility (e.g., layoff situations, changes in training plans or schedules);

8) Acknowledges that if their application is funded, they will be required to comply with the Illinois Drug Free Workplace Act, the Americans with Disabilities Act and the Illinois Human Rights Act and any future laws enacted which may be applicable to the grant;

9) To the best of its knowledge as of the date of the application, is not in material violation of any local, State or federal labor laws at the site and that abnormal labor conditions such as a

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strike or lockout do not exist at this site;

10) Maintains that all information contained in the application, including the documentation, is accurate, complete and true to the best of their knowledge;

11) Agrees to submit to the Department by the end of the grant period the Social Security Number of all employees participating in the approved training program; and

12) Agrees to notify all trainees that, if funded, the training is being partially funded by an Industrial Training Program grant administered by the Department of Commerce and Community Affairs.

c)~~b)~~ Training Outline - which details, by job classification or training course, minimum skills desired for entry into training by job and~~;~~ additional skills to be acquired in training ~~by--job;--and--number--of weeks-training-to-be-provided-for-each-job~~.

d)~~c)~~ Program Outline Timetable - which details the training schedule of employee entry by job classification or training course per month into the program.

e)~~d)~~ Training Outline ~~Program~~ Data (Trainees) - which details by job classification or training course the number of employees; amount ~~number~~ of training time ~~weeks~~; hourly trainee starting wage; and trainee wage at completion of training.

f) Training Outline Data (Trainers) - which details the trainers or course names, the number of instructional hours and the cost of the training.

g)~~e)~~ Project Budget Summary - which details the total cost of training and the requested grant amounts of the Program and other available training programs in Illinois (e.g., Job Training Partnership Act Program, Secretary of State Literacy Office Grant Program ~~High-Impact Training-Services-Program~~, Prairie State 2000 Program).

h)~~f)~~ Attachments as applicable:

1) Attach a brief narrative explaining each line item on the budget summary. The narrative shall state how each "total costs" figure was obtained and should provide information regarding how all training hours and other training costs will be tracked and documented.

2) Financial statements consisting of profit and loss statements and balance sheets for the last three years, tax returns for the last three years, or pro forma statements and cash flow projections for the next two years. Industries not having these financial reports must include a letter of reference from their bank and back-up financial data to show their solvency.

3) Transmittal letter providing information on: the company biography including ownership, length of time in business, a description of the products manufactured or services provided, a discussion of applicant's major customers and competitors and the name(s) of the labor union(s) representing its employees, if applicable; a description and amount of any new capital investment within the past year and upcoming year and whether

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this capita investment is related to the training; the need for the training by the company; the location of the training site; the name(s) of the training provider(s); and the expected measurable outcomes or benefits of the training program and a description of how these benefits will be measured. ~~better detailing-company-and/or-plant-history;-reason-for-the-expansion; market-information-(e.g.,-type-of-product-manufactured;--who--the product--is--sold--to;-where-the-product--is-sold);-and-current-or proposed-participation--with--other--federal--or--state--training programs;~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.130 Application Evaluation

The Department shall screen all applications to determine that all requirements of the application package have been addressed. Complete applications will be reviewed and evaluated comparatively by Department staff. ~~Applicants-will-be notified-by-letter-of-deficiencies-in-applications-and-given-an-opportunity--to correct--such--deficiencies--through--resubmission.~~ This review and evaluation process will be completed within seventy-five days of receipt of all required information. Department staff will conduct a technical and financial evaluation of each application.

a) Technical Evaluation Component - Each application will be reviewed to assure compliance with technical program requirements as detailed in Sections 2650.30 and 2650.120.

b) Financial Evaluation Component - The company's audited financial statements, including the annual balance sheets and profit and loss statements for the past three years, or other acceptable financial information as determined by the Department ~~as-well-as-the-most-recent ninety--days;--and-a-three-year-projected-balance-sheet-and-profit-and loss-statement;-as-well-as-a-one-year--monthly--cash--flow--statement~~, will be reviewed through a standard credit analysis which will determine the: liquidity and debt coverage for the project; ability of the company to manage debt; business trends; and projected earnings. This data will be compared to similar data for companies in the same industry using "Robert Morris Associates Annual Statement Studies" (1985), if such industry is evaluated by this source. This standard credit analysis will determine the financial stability of the company.

c) Application Evaluation - Those applications determined eligible for funding based on the evaluation process described in subsections (a) and (b), will be evaluated according to the following criteria:

1) Project readiness (e.g., time schedule for project initiation, etc.);

2) Average wage rate of trainees ~~jobs--to--be--created--or--retained (e.g.,--number--of--full-time--jobs;--cost--per-job;-etc.);-or-the~~

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~~number of individuals who will receive training;~~

3) New capital investment (e.g., training directly relates to jobs, etc.) and capital investment per trainee;

4) Applicant has identified specific and measurable training objectives ~~leveraging of other training resources (e.g., amount of funding available, funding received from other sources, etc.)~~;

5) Financial feasibility of the project as determined by the financial evaluation described in subsection (b);

~~6) Other significant benefits or impact (e.g., project is for high technology, or export oriented); and~~

~~6)~~7) Compliance with terms and conditions under previous Industrial Training Program grant awards;

7) County unemployment rate;

8) Applicant is adversely affected by foreign competition or training would provide company an advantage in competing in a global market;

9) Quality and consistency of the proposed training program;

10) Illinois-based company;

11) Level of value-added for the specific industry; and

12) Industries specified in annual application packages.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.140 Selection for Funding

a) The Department will establish an annual spending plan for the disbursement of the funds appropriated to the program each fiscal year. One component of the annual spending plan will be an allocation for single-company applicants. ~~Quarterly allocations of funds will be established by the Department each fiscal year. Grant awards will be made on a monthly basis within the parameters of the quarterly allocations. Due to funding limitations, a grant ceiling of 40% of project costs has been established by the Department. The Director will waive this funding limitation, allowing support for up to 66 2/3% of a project's cost when the company demonstrates to the Department through a financial analysis (see Section 2650.130(b)) that the 50% funding limitation would prohibit an otherwise approved project, in accordance with Section 2650.130 and this Section, and subsequent job creation/retention from occurring.~~

~~b) Those projects which are not funded solely due to a lack of available funds will be considered eligible for funding during the next quarter, unless the applicant requests otherwise. Such applications will receive no preferential treatment and must again be comparatively evaluated against all applications being considered for funding during the quarter. Should the Department once again lack funds to support the project, the application will be denied.~~

b)~~c)~~ A set-aside fund will be established in order to take action on those applications requiring immediate attention (e.g., an industrial project in need of a commitment, as a part of an overall Department incentive offer to locate in Illinois; a project which could not move forward without Department funding). The ~~Both the~~ set-aside ~~and the quarterly~~ allocations will be established ~~are targeted figures~~ based on the historical demand for the funds and may ~~which shall~~ be changed to allow for the types, number, and quality of requests received throughout the year. ~~The Department will place the highest priority on grants to manufacturing firms that create new jobs.~~

c) Applicants will receive written notification of funding determinations.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

SUBPART C: SECONDARY AND POST-SECONDARY EDUCATION INSTITUTION APPLICANTS (Repealed)

Section 2650.210 Application Procedures (Repealed)

~~a) Any eligible applicant as defined in Section 2650.30(c) seeking to have an application approved for grant funding must submit a proposal on a form provided by the Department on an annual basis prior to the deadline as determined by the Department. Receipt of an application does not commit the Department to award a grant or to pay any costs incurred in the preparation of an application.~~

~~b) Public notice of the availability of grants and the application due date established each year by the Department will be published in the State recognized newspaper. Applications will be due no later than forty five days after the public notice. All forms, materials and documents of an approved application will become part of the contract awarded to the applicant and shall belong exclusively to the State of Illinois and the Department.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 2650.220 Application Documentation (Repealed)

~~Applications will include documentation of the following:~~

~~a) Background of Applicant a brief discussion of the applicant's organization, purpose, history and capabilities to carry out the proposed project;~~

~~b) Evidence of Need a description of the economic conditions of the community necessitating the project such as types of industrial mix, employment and unemployment, wage and education levels;~~

~~c) Project Description a description of the proposed project for which the grant would be used, including work to be undertaken and methods~~

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to be used.

d) Project Work Statement - a statement of measurable project objectives and work activities.

e) Project results - identification of the anticipated results of the proposed project in terms of economic results such as to the creation or retention of jobs, number of businesses to be started, etc.

f) Project Management - information on the staff and/or consultants to be involved in the proposed project and the percent of time to be spent on the project as well as the name and qualifications of the individual who will be the project director responsible for project management, internal quality control, and project report preparation.

g) Coordination - a description of any cooperative working relationships which will be developed with other organizations involved in similar or related activities, and the relationship of the project to existing local, regional or state economic development plans.

h) Budget - a project budget by cost categories, as required in the Department's application package, detailing total costs, amount and source of matching share and the requested grant amount.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 2650.230 Application Evaluation (Repealed)

a) Application - Screening - The Department staff shall review all proposals to determine that all minimum requirements as specified in this Part and the proposal application have been addressed. This review process shall begin after the application due date and take no more than seventy five days with grant awards being announced at the end of the grant review process.

b) Review Criteria - The following review criteria will be used in reviewing applications for funding.

1) Proposed Activities - The proposals will be reviewed to assure their consistency with the eligible components and activities described in Section 2650.30(c).

2) Administrative Capacity - The proposals will be reviewed to determine whether the applicant is capable of successfully completing the proposed project based on past experience or previous performance, and the scope of program coordination.

3) Project Impact - The proposals will be reviewed to determine the extent to which the proposed activities are projected to result in measurable economic gains such as new business starts, new jobs created or jobs retained or number of program participants entering employment.

4) Costs Assessment - The proposals will be reviewed to determine that the costs charged to the program to carry out proposed activities are consistent with administrative cost and matching fund limitations as specified in Section 2650.40.

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(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 2650.240 Selection for Funding (Repealed)

a) The Department will select proposals for funding based on the following:

1) availability of funds for the program;

2) evaluation of applicants on the review criteria; and

3) the extent to which the program serves the targeted clientele, high poverty areas, enterprise zones, etc.

b) Upon selection, the Department will notify applicants of the amount of grant, if any, to be used to fund the eligible program. The Department will issue an award letter and grant agreement, and upon signature of the grant agreement by the local project director, will reimburse the amount of funds identified in the grant award letter upon receipt of voucher invoice and report of financial status.

c) Upon request, applicants will be notified by letter of deficiencies in applications and given an opportunity to correct such deficiencies through resubmission at the next regular cycle.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 2650.250 Reporting Requirements (Repealed)

a) In order to track funded activities under this Subpart, specific reports will be required of eligible project grantees.

1) Quarterly Indicators Report - due the 15th day after the end of each quarter of the calendar year, consisting of a numerical analysis of planned versus actual achievement levels.

2) Invoice Voucher and Expenditure Summary - due no less frequently than the 15th calendar day of each month after the first month of the grant period for the dual purpose of covering the expenditures to date as well as the immediate cash needs of the grantee to operate the project.

3) Project Summary Report - due the 15th working day after the end of the second quarter of the grant period, and within forty five working days after the expiration date of the grant (semi annual and annual reporting), consisting of an analysis of major project components activities, accomplishments and problems, a listing of clients served, if the project served clients, and an evaluation of how the project's operation related to the objectives of the grant.

b) If the project directly serves clients, the following reports are also required.

1) Screened Clients Listing - due the 15th day after the end of each quarter which lists the proposed business venture, the standard

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~~industrial--classification--(i.e.,--number);--the--clients'--names--and demographics--(e.g.,--age,--sex,--race,--educational--level,--and--years of--business--experience);--and--the--clients'--level--of--participation (i.e.,--enrolled--in--class,--graduated--class,--and--started--business);~~

~~2) Characteristics--of--Clients--Served---due--the--15th--day--after--the end--of--each--quarter--of--the--year--which--provides--a--statistical breakdown--of--demographic--characteristics--for--the--total--number--of clients--served--by--the--project;~~

~~3) Client--Data--Sheets---due--the--15th--day--after--the--end--of--each quarter--of--the--year--detailing--business--profile,---financing sources,--job--impact,--and--types--of--business--assistance--counseling of--each--client--completing---training,---or---obtaining---other employment.~~

~~c) Grantees--must--formally--request--in--writing--to--the--Department--any revisions--or--amendments--of--approved--proposal--or--scope--of--work--plans.~~

~~d) In--addition--to--maintaining--a--central--file--of--records--referenced--above, the--following--records--must--be--maintained--for--a--period--of--three--years at--the--project--site--for--projects--which--directly--serve--clients:~~

~~1) Intake--record--file---a--record--file--of--individuals--recruited--and screened--for--project--participation,--with--an--indication--of--means for--eligibility--determination--and--of--final--disposition--(e.g., selected,--not--selected).---Individual--files--on--clients--must include--documentation--of--program--eligibility.~~

~~2) Waivers---A--record--of--a--signed--waiver--should--be--maintained--within all--client--files.--Waivers--should--acknowledge--that:~~

~~A) self--employment--training--counselors--and--administrators--of the--grantee--will--not--recommend--goods--or--services--from sources--in--which--he/she--has--an--interest;~~

~~B) self--employment--training--counselors--and--administrators--of the--grantee--will--not--accept--fees--or--commission--developing from--the--counseling--relationship;--and~~

~~C) clients--will--hold--harmless--grantee--project---personnel, administrators,--and--counselors--from--circumstances--resulting from--this--assistance.~~

~~e) For--projects--which--use--any--portion--of--Department--funds--to--purchase equipment,--in--whole--or--in--part,--a--property--certification--statement that--project--funds--have--been--expended--in--accordance--with--the--grant agreement--is--required.---A--record--of--all--non-expendable--personal property--or--equipment--purchased--with--Department--funds--will---be maintained--and--each--record--shall--minimally--detail--the--description--of the--item,--serial--number--or--identification--number,--physical--location and--cost.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

SUBPART D: MULTI-COMPANY AND MEMBERSHIP TRAINING ~~MANUFACTURING~~ PROJECT APPLICANTS

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Section 2650.310 Application Procedures

Applications will be accepted at any time. Receipt of an application does not commit the Department to award a grant or to pay any costs incurred in the preparation of an application. The applicant and any companies participating in the project shall not procure, contract for or incur costs for services or supplies prior to the signing of a written contract. The contents of an approved application shall become part of the contract awarded to the applicant. All data, material and documentation originated by an application and prepared for an application or contract shall belong exclusively to the State of Illinois and the Department. The Department shall supply interested businesses, business and industry associations, institutions of secondary or higher education ~~colleges~~, strategic business partnerships, ~~consultants~~, federal Job Training Partnership Act administrative entities or grant recipients, labor organizations or other organizations with an application upon request. Applications for grant funds shall be submitted to the Department's Office of Industrial Training in Chicago or Springfield ~~Department~~ on forms provided by the Department along with any necessary attachments which may be required.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.320 Application Documentation

Applications shall include documentation of the following:

a) A ~~biography--of--the--individual--or--a~~ history and summary of the qualifications of the organization submitting the application, including any related experience in coordinating, conducting or sponsoring training programs for businesses or its membership.

b) A description of how the companies or members will be/were selected to participate in the project and an explanation of how the common employee training needs were determined. The applicant also should indicate if a training needs assessment has been conducted.

c)~~b~~ A company profile for each of the participating companies, including how long they have been in business, a description of the products manufactured or services provided, the location of their facility(ies), the Standard Industrial Code, the current number of employees, the name of any labor organization(s) representing the employees (if applicable) and a company contact and telephone number ~~and--the--current--number--of--employees~~.

d)~~c~~ A description of any new capital investment made by the participating companies and if it relates to the proposed training program.

~~d) The need for the training by participating companies.~~

e) The type of training being requested (e.g., classroom, on-the-job training).

f) The objectives of the training.

g) Where the training will be conducted.

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h) The name(s) of the ~~Who will provide the~~ training provider(s).

i) The expected measurable outcomes or benefits to the participating companies of the training program and a description of how these benefits will be measured ~~and tracked~~.

j) An Applicant Certification form which is signed and dated by the Chief Executive Officer or duly authorized representative of the applicant certifying that the applicant:

1) Understands that receipt by the Department of Commerce and Community Affairs of an application for training assistance is not a guarantee or commitment by DCCA for funding;

2) Agrees to submit to DCCA, on either a monthly basis or other basis agreed upon by the Department and the Grantee, information regarding training activity as required for training reimbursement under the Industrial Training Program;

3) Agrees to submit to DCCA, within 60 days following the end of the grant period, a written evaluation of the results of the training experience by the participating companies. The evaluation report should be based on the measurable outcomes or benefits contained in the grant application;

4) Authorizes DCCA to verify in any manner deemed appropriate any and all items indicated in this application which include information obtained through the Illinois Department of Employment Security, Consumer Credit Bureau Services and business reporting services such as Dun and Bradstreet;

5) Agrees to submit to DCCA by the end of the grant period the Social Security Number of the participating employees and the Unemployment Insurance Employer Account Number of all employers participating in an approved training program;

6) Agrees to notify DCCA promptly regarding any major changes in the project (e.g., layoff situations at participating companies, changes in training plans or schedules);

7) Maintains that, to the best of its knowledge as of the date of the application, no employers participating in the project are in material violation of local, State or federal labor laws at any sites involved in the application, and that abnormal labor conditions such as a strike or lockout do not exist at any of these sites;

8) Acknowledges that, if the application is funded, the applicant will be required to comply with the Illinois Drug Free Workplace Act, the Illinois Human Rights Act, the Americans with Disabilities Act and any future laws enacted which may be applicable to the grant;

9) Maintains that all information contained in this application, including the documentation, is accurate, complete and true to the best of their knowledge; and

10) That, if funded, all companies participating in the training and the trainees of those companies will be notified in writing that the training is partially funded by the Industrial Training Program grant administered by the Department of Commerce and Community Affairs.

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k) ~~j~~ A training outline which provides a descriptive picture of each training module ~~and~~ or job classification, the requirements for selection to enter training and additional skills to be acquired through training.

~~k) A program timetable which includes, by training module, the number of employees entering training by month and the duration of the training.~~

l) Training outline ~~program~~ data trainees by training module, the number of employees in training, the proposed number of hours of training requested for each trainee and the average wage rates of the trainees.

m) Training outline data (trainers) which details the trainers or course names, the number of instructional hours and the cost of the training.

n) ~~m~~ A project budget summary listing administration, trainee and instructor costs. The budget summary shall contain the total training costs, the local/company share, other sources of training assistance and the amount requested from the Industrial Training Program.

o) ~~n~~ A budget narrative detailing how each line item in the budget summary was obtained and how the costs of each line item will be tracked and documented.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.330 Application Evaluation

The Department shall screen all applications to determine if all requirements of the application package have been addressed. Complete applications shall be reviewed and evaluated comparatively by Department staff. ~~Applicants shall be notified of deficiencies in applications and given an opportunity to correct such deficiencies through resubmission.~~ This review and evaluation process will be completed within 75 working days after receipt of all required information. Department staff shall conduct a technical and programmatic evaluation of each application.

a) Technical/Programmatic Evaluation Component -- Each application shall be reviewed to assure compliance with technical program requirements as detailed in Section 2650.30.

b) Application Evaluation -- Those applications determined eligible for funding based on the evaluation process described in subsection (a) above shall be evaluated according to the following criteria:

1) Project readiness (e.g., time schedule for project initiation);

2) The number of participating companies and the number of employees of those participating companies who will receive training;

3) The cost effectiveness of the training (e.g., cost per trainee or cost per business);

4) New capital investment by participating companies;

5) How closely the training is related to the nature of the business ~~manufacturing~~ process and the transferability of the skills

obtained from the training;

6) Other significant benefits or impact (e.g., project is for high technology, quality and/or productivity improvements or export oriented, job retention or improving business competitiveness);

7) Level of performance by applicant organization and/or participating employers under previous Industrial Training Program grant awards;

8) Evaluation measures utilized to determine the effectiveness of the training (e.g., the identification of quantifiable training outcome measures);

9) Extent to which the project demonstrates that it is employer driven; and

10) Percent of cash contribution by participating companies to the local or company share of the grant (matching contribution).

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.340 Selection for Funding

a) The Department shall establish an annual spending plan for the disbursement of the funds appropriated to the program each fiscal year. One component of the annual spending plan will be an allocation for multi-company and membership training projects. ~~Quarterly allocations of funds shall be established by the Department each fiscal year. Grant awards shall be made on a monthly basis within the parameters of the quarterly allocations.~~

b) Applicants will receive written notification of funding determinations. ~~Those projects which are not funded solely due to a lack of available funds shall be considered eligible for funding during the next quarter, unless the applicant organization and/or the participating employers request otherwise. Such applications shall receive no preferential treatment and shall be comparatively evaluated against all applications being considered for funding during the quarter. Should the Department once again lack funds to support the project, the application shall be denied.~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2650.350 Administrative Requirements (Repealed)

~~a) Reporting Requirements. To receive reimbursement for training costs which have been incurred by a grantee and in accordance with the Scope of Work and Budget contained in the grant contract with the Department, the grantee shall furnish evidence to the Department of having completed training by following a monthly certification schedule. This certification shall be filed on forms provided to the grantee by the Department. Payments to the grantee are subject to the initiation of an invoice voucher which shall be due to the Department according to the schedule established in the grant contract. A project summary report shall be due to the Department on the 15th calendar day of each month, consisting of an analysis of major project activities, a listing of clients served, if the project served clients, and an evaluation of how the project's operation is related to the objectives of the grant.~~

~~b) Grant Modifications. If either the Department or the grantee desires to modify the terms of the grant contract, written notice of the proposed modification shall be given to the other party. No modification shall take effect unless agreed to in writing by both the Department and the grantee, except that if the Department gives the grantee notice of a proposed modification without the prior approval of the grantee, the failure to object by the grantee within 30 calendar days shall be deemed acceptance and the proposed modification shall be effective on the receipt of the modification by the grantee.~~

~~c) Suspension. If the grantee fails to comply with the terms and conditions of the grant contract, the Department, after notice to the grantee, may suspend the grant contract in whole or in part and withhold further payments and prohibit the grantee from incurring additional obligations of grant funds, pending the grantee's implementation of a corrective action plan. The corrective action plan shall provide a strategy to correct areas of noncompliance as approved by the Department to terminate the grant in accordance with provisions of the grant contract. The Department may determine to allow costs which the grantee could not reasonably avoid during the period of suspension provided such costs were necessary and reasonable for the conduct of the project.~~

~~d) Termination for Cause. If the Department determines that the grantee has failed to comply with the terms and conditions of the grant contract, the Department may terminate the grant in whole, or in part, at any time before the date of completion. Circumstances which shall result in the termination of a grant include, but are not limited to, the following: consistent failure to maintain required records, failure to protect inventory, misuse of equipment purchased with grant funds, evidence of fraud and abuse, failure to resolve points of the grant contract. The Department shall promptly notify the grantee in writing of the determination to terminate, the reasons for such termination, and the effective date of the termination.~~

~~e) Termination for Convenience. The Department or the grantee shall terminate the grant contract in whole or in part when the Department and the grantee agree that the continuation of the program objectives would not produce beneficial results commensurate with the further expenditures of funds. The Department and the grantee shall agree upon termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.~~

~~f) Financial Management Standards. The grantee's financial management~~

system shall be structured to provide for accurate, current and complete disclosure of the financial results of the grant program, in accordance with the provisions of the grant contract. The grantee is accountable for all funds received under the grant. The grantee shall maintain effective control and accountability over all funds, equipment, property and other assets under the grant. The grantee shall keep records sufficient to permit the tracking of funds to a level of expenditure to ensure that funds have not been spent unlawfully, and shall have internal controls consistent with generally accepted accounting principles adopted by the American Institute of Certified Public Accountants (1991).

g) Interest on Grant Funds - If the grantee is a secondary or post-secondary education institution, in accordance with Section 10 of the Illinois Grant Funds Recovery Act (Ill. Rev. Stat. 1991, ch. 127, par. 2310), all interest earned on funds held by the grantee under the grant shall become part of the grant principal when earned. Any interest earned under the grant and not expended as grant principal during the term of the grant contract shall be returned to the Department; however, interest earned on grant funds may be retained by the grantee when the cost of accounting for the interest to the grant principal is significant in comparison to the interest earned. In no event shall a grantee be permitted to increase the grant amount and expend interest earned as grant principal unless an amendment to the grant contract is executed by the Department.

h) Audits - The Department reserves the right to conduct special audits, at any time during normal working hours, of funds expended under Department grants. In addition, after completion of the training as specified in the grant contract, the grantee may be required to submit to the Department a descriptive report evaluating the success of the Industrial Training Program grant. If the grantee is a secondary or post-secondary education institution, it shall comply with the applicable audit requirements of 47 Ill. Adm. Code 1.

i) Monitoring and Evaluation - The grantee shall permit any agent authorized by the Department, upon presentation of credentials, and in accordance with the constitutional limitation on administrative searches, to have full access to and the right to examine any documents, papers, and records of the grantee involving transactions relating to a grant from the Department.

j) Property Management - If the grantee is a secondary or post-secondary education institution, the following terms apply to property management. The grantee retains title to all equipment purchased with grant funds for program operations. The grantee shall maintain appropriate property records and periodically, at intervals not to exceed two years, conduct an inventory of all equipment or non-expendable personal property purchased with grant funds. Equipment shall be used on the original project as long as needed. While being used on the original project, equipment may be made available for "shared use" with other activities, provided that use

will not interfere with its use for the original project. When no longer needed for the original purpose, equipment may be used for other projects, provided that projects of the Department are given first priority if there is a choice. The grantee shall determine whether there is a continued need for equipment in terms of the original project or purpose. An equipment purchase/acquisition inventory listing form indicating equipment or materials purchased with program funds shall accompany the program closeout package, which is sent to the Department following the end of the grant period, if the unit cost is $300.00 or more and the unit has a life span of one or more years.

k) Right to Examine Records/Record Retention - The grantee, as often as deemed necessary by the Department or the Auditor General of the State of Illinois or any of their duly authorized representatives, shall allow full access to and the right to examine any pertinent books, documents, papers and records of the grantee involving transactions relating to this grant for a period of three years from the date of the Department's receipt of the grant closeout package. The grantee shall include in all its contracts under this grant a provision that the Department or the Auditor General of the State of Illinois, or any of their duly authorized representatives, will have full access to and the right to examine any pertinent books, documents, papers and records of any such contractor involving transactions related to the grant program and of the Department's receipt of the grant closeout package, whichever is later. All grantees must adhere to the provisions contained in 44 Ill. Adm. Code 4000 and the Local Records Act (Ill. Rev. Stat. 1991, ch. 116, par. 43.161 et seq.).

l) Grant Closeout - The grantee shall be responsible for completing the grant closeout package which shall be provided by the Department and identifies the financial status of these grant funds. The grantee, upon submission of the closeout package, or within 45 days after expiration of the grant, whichever is first, shall refund to the Department any balance of funds which were unexpended or unobligated at the end of the grant period. In addition, the grantee shall repay the Department for any funds that are determined by the Department to have been spent in violation of the grant contract. If the grant contract should terminate for any reason, the closeout package shall be due within 45 days after the date of termination.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

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NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Health Care

2) Code Citation: 20 Ill. Adm. Code 415

3) Section Numbers: Proposed Action:

415.10	Amend
415.15	Amend
415.20	Amend
415.30	Amend
415.50	Amend
415.60	Amend
415.70	Amend
415.80	Add

4) Statutory Authority: Implementing Sections 3-2-2, 3-7-2, 3-8-2, 3-10-2, 3-10-3 and 5-2-6 of the Unified Code of Corrections [730 ILCS 5/3-2-2, 3-7-2, 3-8-2, 3-10-2, 3-10-3 and 5-2-6] and authorized by Section 3-7-1 of the Unified Code of Corrections [730 ILCS 5/3-7-1].

5) A Complete Description of the Subjects and Issues Involved: This rule is being amended to delete gender specifics, add definitions for clarity, update agency names, and add provisions for organ transplants.

6) Will this proposed rule replace an emergency rule currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this proposed rule (amendment, repealer) contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: This rulemaking does not create or expand any State mandate.

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may submit written comments to:

Donald N. Snyder, Jr., Deputy Director
Illinois Department of Corrections
1301 Concordia Court
P. O. Box 19277
Springfield, Illinois 62794-9277
(217) 522-2666 (Extension 2082)

All written comments received within 45 days of the date of this publication will be considered.

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12) Initial Regulatory Flexibility Analysis: Not required; this rulemaking does not affect small businesses.

13) State reasons for this rulemaking if it was not included in either of the two (2) most recent regulatory agendas: It was included in the January, 1995 regulatory agenda.

The full text of the Proposed Rule(s) begins on the next page:

DEPARTMENT OF CORRECTIONS

NOTICE OF PROPOSED AMENDMENTS

TITLE 20: CORRECTIONS, CRIMINAL JUSTICE, AND LAW ENFORCEMENT
CHAPTER I: DEPARTMENT OF CORRECTIONS
SUBCHAPTER d: PROGRAMS AND SERVICES

PART 415
HEALTH CARE

Section
415.10 Applicability
415.15 Responsibilities
415.20 Definitions
415.30 Medical and Dental Examinations and Treatment
415.40 Mental Health Services
415.50 Mental Health Examinations and Treatment for Guilty but Mentally Ill
415.60 Review of Placements in a Specialized Mental Health Setting
415.70 Involuntary Administration of Psychotropic Medication
415.80 Organ Transplants

AUTHORITY: Implementing Sections 3-2-2, 3-7-2, 3-8-2, 3-10-2, 3-10-3 and 5-2-6 of the Unified Code of Corrections [730 ILCS 5/3-2-2, 3-7-2, 3-8-8, 3-10-2, 3-10-3 and 5-2-6] and authorized by Section 3-7-1 of the Unified Code of Corrections [730 ILCS 3-7-1].

SOURCE: Adopted at 8 Ill. Reg. 14496, effective August 1, 1984; amended at 11 Ill. Reg. 10240, effective June 1, 1987; emergency amendment at 14 Ill. Reg. 13316, effective August 15, 1990, for a maximum of 150 days; amended at 15 Ill. Reg. 988, effective January 12, 1991; amended at 19 Ill. Reg. _____, effective _____.

Section 415.10 Applicability

This Part applies to the Adult, Juvenile and Community Services Divisions of the Department of Corrections ~~(Department)~~.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.15 Responsibilities

a) Unless otherwise specified, the Director, Chief Administrative Officer, or Agency Medical Director may delegate responsibilities stated in this Part to another person or persons or designate another person or persons to perform the duties specified.

b) No other individual may routinely perform duties whenever a rule in this Part specifically states the Director, Chief Administrative Officer, or Agency Medical Director shall personally perform the duties. However, the Director, Chief Administrative Officer, or Agency Medical Director may designate another person or persons to perform the duties during periods of their ~~his~~ temporary absence or in an emergency.

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(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.20 Definitions

a) "Agency Medical Director" means the Medical Director of the Department of Corrections.

b) "Chief Administrative Officer" means the highest ranking official of a correctional facility.

c)~~b)~~ "Communicable disease" means a disease caused by an organism which is transmitted through airborne means ~~and~~/or casual contact, or through blood or bodily secretion contact from one human being to another.

d) "Department" means the Department of Corrections.

e)~~c)~~ "Department physician or dentist" means any physician or dentist who provides services for the Department.

f) "Director" means the Director of the Department of Corrections.

g)~~d)~~ "Gravely disabled" means a condition in which a committed person, as a result of a mental illness or mental disorder:

1) Is in danger of serious physical harm resulting from the person's ~~his~~ failure to provide for his or her essential human needs of health or safety; or

2) Manifests serious deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over the person's ~~his~~ actions which is likely to jeopardize his or her health or safety.

h)~~e)~~ "Likelihood of serious harm" means:

1) A substantial risk that physical harm will be inflicted by a committed person upon his or her own person as evidenced by, among other things, threats or attempts to commit suicide or inflict physical harm on one's self; or

2) A substantial risk that physical harm will be inflicted by a committed person upon another as evidenced by, among other things, behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such harm; or

3) A substantial risk that physical harm will be inflicted by a committed person upon the property of others as evidenced by, among other things, behavior which has caused substantial loss or damage to the property of others.

i)~~f)~~ "Mental health professional" means a psychiatrist, physician, psychiatric nurse, clinically trained psychologist or an individual who has a master's degree in social work and clinical training.

j)~~g)~~ "Physician" means an individual who is licensed by the State of Illinois to practice medicine in all of its branches.

k) "Specialized mental health setting" means a Department of Corrections

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facility or unit which specializes in mental health care.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.30 Medical and Dental Examinations and Treatment

a) Within seven working days of admission to a reception and classification center, each committed person shall be given a physical examination by a physician, nurse practitioner, or physician's assistant and immunized as prescribed by the physician.

b) Each committed person shall be examined by a dentist within 10 working days of admission to a reception and classification center. The dentist shall chart ~~be responsible for charting~~ the oral cavity and classifying dental health.

c) Emergency treatment shall be available to committed persons 24 hours a day.

d) A health care unit or area shall be established at each correctional facility within the Adult and Juvenile Divisions. Committed persons shall be admitted to the health care unit or area as determined by health care personnel.

e) Committed persons shall be informed of the institutional procedures for obtaining medical, dental or mental health services.

f) Persons committed to the Adult and Juvenile Division facilities shall be provided medical and dental treatment, with the consent of the parent or guardian where applicable, as prescribed by a Department physician or dentist.

g) A committed person who has or is suspected of having a communicable disease may be isolated from other committed persons. This determination shall be made by a physician as deemed medically necessary.

h) In case of critical illness or major surgery, the Chief Administrative Officer shall attempt to notify the person designated by the committed person to be contacted in case of an emergency and, where applicable, the parent or guardian.

i) The decision to continue or terminate a pregnancy is a medical determination which shall be made by the committed person in consultation with her physician.

1) Committed persons contemplating an abortion shall be provided with information and counseling concerning the nature, the consequences, and any risks associated with the procedure and available alternatives.

2) Committed persons shall be granted a furlough for the purpose of obtaining an abortion. Committed persons shall be permitted to accept funds for an abortion from local community charities or other sources.

j) A record of all medical and dental examinations, findings, and treatment shall be maintained.

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(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.50 Mental Health Examinations and Treatment for Guilty but Mentally Ill

a) Within 48 hours of admission to a reception and classification center, each committed person adjudicated guilty but mentally ill shall be screened by a mental health professional.

b) An examination by a licensed or registered mental health professional shall be performed on a committed person adjudicated guilty but mentally ill within four days of the committed person's admission to a reception and classification center. The purpose of the examination is to determine the mental health status of the individual at the time of admission to the Department and to make any appropriate recommendations necessary for the care of such individuals. Committed persons so examined:

1) Who demonstrate acute symptoms of mental illness or who are determined to be dangerous to self or others shall be treated in accordance with the procedures applicable to other committed persons. Treatment may include routine or emergency placement in a specialized mental health setting. Committed persons placed in a specialized mental health setting shall remain as long as determined to be clinically necessary.

2) Who are determined not to be in need of placement in a specialized mental health setting may receive necessary treatment services in a general institutional setting when such services are clinically recommended by a mental health professional.

3) Who are found to be symptom free or in remission at the time of admission to the Department and are not in need of mental health treatment shall be placed in a general institutional setting.

c) Once placed in a general institutional setting, these committed persons shall be examined or evaluated by a mental health professional at a minimum every three months for the first six months and then every six months thereafter.

1) These committed persons may be referred by appropriate staff or may request an examination or evaluation more frequently.

2) More frequent evaluations may also be performed at the discretion of the examining mental health professional as determined to be clinically necessary.

d) Three months prior to the scheduled release date of a committed person adjudicated guilty but mentally ill, an evaluation by a mental health professional shall be conducted to assess the person's post-release treatment needs, which may include residential care, out-patient counseling, psychotropic medication, periodic psychiatric or psychological evaluation, high level parole supervision, commitment to Department of Mental Health and Developmental Disabilities, or other supportive services (e.g., sheltered workshops, group homes, or

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vocational training and assistance in obtaining needed treatment or services).

1) If the committed person has received psychotropic medication within the previous 12 months, this report must include a psychiatric evaluation of the need for medication or psychiatric monitoring.
2) A copy of the report shall be provided to the appropriate field service office.

e) Within 30 days of the scheduled release date of a committed person adjudicated guilty but mentally ill, a final evaluation by a mental health professional shall be conducted to determine whether any changes in the person's mental or emotional status may affect the previous evaluation of the person's post-release treatment needs. A report shall be prepared and forwarded to the appropriate field service office no later than seven days prior to the committed person's scheduled release date.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.60 Review of Placements in a Specialized Mental Health Setting

a) A review of each committed person placed at a specialized mental health setting shall be made at least once every six months.
   1) The review shall be conducted by a staff psychiatrist and the Administrator of the mental health center or unit or ~~his~~ designee.
   2) Written results of the review shall be given to the committed person.
   3) If the recommendation is for the committed person to continue in the program at the mental health center or unit, the individual may request a review of that decision by the Placement Review Board.
      A) The Placement Review Board shall be composed of three members appointed by the Director, one member shall be a mental health professional and one member shall not be employed by the Department.
      B) The Placement Review Board shall review all psychiatric records and may interview the petitioner. The Board may call any employee or other person to present information determined to be relevant to the review.
      C) An agreement by a majority of the Board shall be considered the decision of the Board.
      D) The decision shall be delivered to the committed person in writing.

b) A request for a review hearing may be made at anytime by a committed person placed at a specialized mental health setting and must be granted at least once every six months.

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(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.70 Involuntary Administration of Psychotropic Medication

a) Administration of Psychotropic Medication
   1) Psychotropic medication shall not be administered to any committed person against his or her will or without the consent of the parent or guardian of a minor who is under the age of 18 and confined in the Juvenile Division, unless:
      A) A psychiatrist, or in the absence of a psychiatrist a physician, has determined that:
         i) The committed person suffers from a mental illness or mental disorder; and
         ii) The medication is in the medical interest of the committed person; and
         iii) The committed person is either gravely disabled or poses a likelihood of serious harm to ~~himself~~ self or others; and
      B) The administration of such medication has been approved by the Treatment Review Committee after a hearing (see subsection (b) of this Section). However, no such approval or hearing shall be required when the medication is administered in an emergency situation. An emergency situation exists whenever the required determinations listed in subsection (a)(1)(A) of this Section have been made and a psychiatrist, or in the absence of psychiatrist a physician, has determined that the committed person poses an imminent threat of serious physical harm to self ~~himself~~ or others. In all emergency situations, the procedures set forth in subsection (e) of this Section shall be followed.
   2) Whenever a physician orders the administration of psychotropic medication to a committed person against the person's ~~his~~ will, the physician shall document in the committed person's medical file the facts and underlying reasons supporting the determination that the standards in subsection (a)(1) of this Section have been met and:
      A) The Chief Administrative Officer shall be notified as soon as practicable; and
      B) Unless the medication was administered in an emergency situation, the Chairperson of the Treatment Review Committee shall be notified in writing within three days.

b) Treatment Review Committee Procedures
   The Treatment Review Committee shall be comprised of two members appointed by the Chief Administrative Officer, both of whom shall be mental health professionals~~,~~ and one of whom shall be a physician. One member shall serve as Chairperson of the Committee. Neither of the Committee members may be involved in the current decision to order

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the medication. The members of the Committee shall have completed a training program in the procedural and mental health issues involved which has been approved by the Agency Medical Director.

1) The Chief Administrative Officer shall designate a member of the program staff not involved in the current decision to order medication to assist the committed person. The staff assistant shall have completed a training program in the procedural and mental health issues involved which has been approved by the Agency Medical Director.
2) The committed person and staff assistant shall receive written notification of the time and place of the hearing at least 24 hours prior to the hearing. The notification shall include the tentative diagnosis and the reasons why the medical staff believes the medication is necessary. The staff assistant shall meet with the committed person prior to the hearing to discuss the procedural and mental health issues involved.
3) The committed person shall have the right to attend the hearing unless the Committee determines that it is likely that the person's ~~his~~ attendance would subject the person ~~him~~ to substantial risk of serious physical or emotional harm or pose a threat to the safety of others. If such a determination is made, the facts and underlying reasons supporting the determination shall be documented in the committed person's medical file. The staff assistant shall appear at the hearing whether or not the committed person appears.
4) The documentation in the medical file referred to in subsection (a)(2) of this Section shall be reviewed by the Committee and the Committee may request the physician's personal appearance at the hearing.
5) Prior to the hearing, witnesses identified by the committed person and the staff assistant may be interviewed by the staff assistant after consultation with the committed person as to appropriate questions to ask. Any such questions shall be asked by the staff assistant unless cumulative, irrelevant, or a threat to the safety of individuals or the security of the facility.
6) Prior to the hearing, the committed person and the staff assistant may request in writing that witnesses be interviewed by the Committee and may submit written questions for witnesses to the Chairperson of the Committee. These questions shall be asked by the Committee unless cumulative, irrelevant, or a threat to the safety of individuals or the security of the facility. If any witness is not interviewed, a written reason shall be provided.
7) Prior to the hearing, the committed person and the staff assistant may request in writing that witnesses appear at the hearing. Any such request shall include an explanation of what the witnesses would state. Reasonable efforts shall be made to have such witnesses present at the hearing, unless their

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testimony or presence would be cumulative, irrelevant, or a threat to the safety of individuals or the security of the facility, or for other reasons including, but not limited to, unavailability of the witness or matters relating to institutional order. In the event a requested witnesses are ~~witness--is~~ unavailable to appear at the hearing but are ~~is~~ otherwise available, they ~~he~~ shall be interviewed by the Committee as provided for in subsections (b)(6) and (9) of this Section.

8) At the hearing, the committed person and the staff assistant may make statements and present documents which are relevant to the proceedings. The staff assistant may direct relevant questions to any witnesses appearing at the hearing. The committed person may request that the staff assistant direct relevant questions to any witnesses appearing at the hearing and the staff assistant shall ask such questions unless cumulative, irrelevant, or a threat to the safety of individuals or the security of the facility.
9) The Committee shall make such investigation as it deems necessary. The staff assistant shall be informed of any investigation conducted by the Committee and shall be permitted to direct relevant questions to any witnesses interviewed by the Committee. The staff assistant shall consult with the committed person regarding any statements made by witnesses interviewed by the Committee and shall comply with requests by the committed person to direct relevant questions to such witnesses unless cumulative, irrelevant, or a threat to the safety of individuals or the security of the facility.
10) The Committee shall consider all relevant information and material which has been presented in deciding whether to approve administration of the medication.
11) A written decision shall be prepared and signed by all members of the Committee which contains a summary of the hearing and the reasons for approving or disapproving the administration of the medication. Copies of the decision shall be given to the committed person, the staff assistant, and the Chief Administrative Officer. Any decision by the Committee to approve involuntary administration of psychotropic medication must be unanimous. The Chief Administrative Officer shall direct staff to comply with the decision of the Committee.
12) If the Committee approves administration of the medication, the committed person shall be advised of the opportunity to appeal the decision to the Agency Medical Director by filing a written appeal with the Chairperson within five days of the committed person's receipt of the written decision.

c) Review by Agency Medical Director
   1) If the committed person appeals the Treatment Review Committee's decision, staff shall continue to administer the medication as

ordered by the physician and approved by the Committee while awaiting the Agency Medical Director's decision on the appeal.

2) The Chairperson of the Committee shall promptly forward the written notice of appeal to the Agency Medical Director or a physician designated by the Agency Medical Director.

3) Within five working days of ~~his~~ receipt of the written notice of appeal, the Agency Medical Director shall:

A) Review the Committee's decision, make such further investigation as deemed ~~he--deems~~ necessary, and submit a written decision to the Chief Administrative Officer; and

B) Provide a copy of the written decision to the committed person, the staff assistant, and the Chairperson of the Committee.

4) The Chief Administrative Officer shall direct staff to comply with the decision of the Agency Medical Director.

d) Periodic Review of Medication

1) Whenever any committed person has been involuntarily receiving psychotropic medication continuously or on a regular basis for a period of six months, the administration of such medication shall, upon the committed person's written request, be reviewed by the Treatment Review Committee in accordance with the procedures enumerated in subsections (b) and (c) of this Section. Every six months thereafter, for so long as the involuntary medication continues on a regular basis, the committed person shall have the right to a review hearing upon written request.

2) Every committed person who is involuntarily receiving psychotropic medication shall be evaluated by a psychiatrist at least every 30 days, and the psychiatrist shall document in the committed person's medical file the basis for the ~~his~~ decision to continue the medication.

e) Emergency Procedures

Subsequent to the involuntary administration of psychotropic medication in an emergency situation:

1) The basis for the decision to administer the medication shall be documented in the committed person's medical file and a copy of the documentation shall be given to the committed person and to the Agency Medical Director for review.

2) A mental health professional shall meet with the committed person to discuss the reasons why the medication was administered and to give the committed persons ~~person~~ an opportunity to express any concerns they ~~he~~ may have regarding the medication.

f) Documentation

Copies of all notifications and written decisions shall be placed in the committed person's medical file.

g) Grievances

A committed person may submit a grievance concerning the involuntary administration of psychotropic medication directly to the Administrative Review Board in accordance with 20 Ill. Adm. Code

504.Subpart F. In considering the grievance, the Board shall confer with the Agency Medical Director.

h) Minors in the Juvenile Division

In the case of a committed person who is a minor under the age of 18 and confined in the Juvenile Division, the parent or guardian shall be sent the documentation and written decisions that are provided to the committed person pursuant to this Section and shall be permitted to attend and participate in any proceedings required by this Section. Notice of any Treatment Review Committee hearing shall be promptly sent to the parent or guardian and reasonable attempts shall be made to provide such notice at least 72 hours prior to the hearing.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 415.80 Organ Transplants

a) The Department shall grant a medical furlough for purposes of obtaining an organ transplant if:

1) The committed person or the parent or guardian of a minor who is under the age of 18 and confined in the Juvenile Division has made all necessary arrangements with the organ transplant facility including application for eligibility as a recipient of an organ donor and appropriate financial arrangements. The committed person must be accepted by an approved organ transplant facility prior to approval of the medical furlough;

2) The Agency Medical Director confirms that the committed person would be a suitable candidate for an organ transplant which is needed to preserve the committed person's life or prevent irreparable harm; and

3) The organ transplant facility is approved by the Agency Medical Director and the Chief Administrative Officer.

b) The committed person or the parent or guardian of a minor who is under the age of 18 and confined in the Juvenile Division shall be responsible for the cost of the organ transplant procedure, including but not limited to pre-transplant evaluations performed by the transplant facility, the hospital stay, the physicians' services and other medical services involved. The committed person shall be permitted to accept funds for the organ transplant from local community charities or other sources. The cost of the transportation and security for the committed person shall be paid by the committed person, whenever possible.

c) The Department shall direct the committed person or the parent or guardian of a minor who is under the age of 18 and confined to the Juvenile Division to the organ transplant facilities and known sources of funding associated with an organ transplant.

d) Use of in-State transplant facilities is preferred. Out-of-State facilities shall be considered if no in-State facility is available

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and if the committed person or the parent or guardian of a minor who is under the age of 18 and confined to the Juvenile Division signs a waiver of extradition.

(Source: Added at 19 Ill. Reg. _____, effective _____)

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

1) Heading of the Part: Electronic Transfer of Funds

2) Code Citation: 23 Ill. Adm. Code 155

3) Section Numbers: Proposed Action:

155.10	New Section
155.20	New Section
155.30	New Section
155.40	New Section
155.50	New Section
155.60	New Section
155.70	New Section

4) Statutory Authority: 105 ILCS 5/2-3.116 (see P.A. 88-641, effective September 9, 1994)

5) A Complete Description of the Subjects and Issues Involved: The proposed new Part 155 will establish the necessary procedures and requirements to implement the electronic transfer of funds pursuant to Public Act 88-641, enacted last September. Under these rules, school districts, other educational agencies, regional superintendents, and various individuals and service providers who are entitled to receive multiple payments from the State Board will be able to receive those payments electronically rather than by warrant.

6) Will this rulemaking replace any emergency rulemaking currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? The rules do not contain an incorporation by reference under Section 5-75 of the Illinois Administrative Procedure Act.

9) Are there any other proposed rulemakings pending on this part? No

10) Statement of Statewide Policy Objectives: This rulemaking will not create or enlarge a state mandate.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Sally Vogl
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street, S-284
Springfield, IL 62777-0001

STATE BOARD OF EDUCATION

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(217) 782-0541

12) Initial Regulatory Flexibility Analysis: These rules will not affect small businesses.

13) Regulatory Agenda on which this rulemaking was summarized: January 1995

The full text of the Proposed Rule begins on the next page:

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER I: STATE BOARD OF EDUCATION
SUBCHAPTER c: FINANCE

PART 155
ELECTRONIC TRANSFER OF FUNDS

Section
155.10 Purpose
155.20 Eligible Participants
155.30 Initiation of Electronic Fund Transfers
155.40 Altering Electronic Fund Transfer Arrangements
155.50 Terminating Electronic Fund Transfer Arrangements
155.60 Responsibilities of the State Board of Education
155.70 Responsibilities of the Comptroller

AUTHORITY: Implementing and authorized by Section 2-3.116 of the School Code [105 ILCS 5/2-3.116 (see P.A. 88-641, effective September 9, 1994)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 155.10 Purpose

This Part sets forth the procedural requirements for receiving funds via electronic transfer from the State Board of Education through the Office of the Comptroller pursuant to Section 2-3.116 of the School Code [105 ILCS 5/2-3.116 (see P.A. 88-641, effective September 9, 1994)].

Section 155.20 Eligible Participants

The payees listed below are eligible to receive funds via electronic transfer by following the procedures described in this Part, provided that they are expected to receive multiple payments of funds from the State Board of Education during any single fiscal year.

a) School districts
b) Regional superintendents of schools
c) Other education agencies such as educational cooperatives and joint agreements
d) Other payees such as universities, hospitals, community-based organizations, and day care centers
e) Individuals

Section 155.30 Initiation of Electronic Fund Transfers

a) To initiate electronic transfer of payments, the eligible participant shall provide the State Board of Education the following information,

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on a form prescribed by the State Board, as approved by the Comptroller. The form shall be signed and dated by an official authorized by the eligible participant.

1) The participant's nine-digit taxpayer identification number or Social Security number;
2) The participant's eleven-digit code assigned by the State Board to signify its region, county, district, and type;
3) The name in which payment is to be made;
4) The telephone number of the participant's main business office;
5) The street address, city, state, and zip code of the participant's main business office;
6) The name of the contact person for the electronic payment of funds;
7) A dated statement of authorization, signed by the chief executive officer of the entity, for all payments from the State Board of Education to be directed to the participant's account and for necessary debit entries and adjustments for errors to be initiated;
8) The name of the financial organization to which funds are to be electronically transferred, as on file with the Federal Access or the Automated Clearing House (the nationwide network that provides the electronic payment system);
9) The street address, city, state, and zip code of the financial organization designated;
10) The title, type (checking or savings), and number of the account into which electronic transfers are to be made;
11) The nine-digit routing number of the financial organization designated;
12) The type of federal access agreement (governmental or commercial) held by the financial organization;
13) The expiration date of the organization's membership in the Automated Clearing House;
14) The branch designation of the financial organization, if applicable; and
15) The telephone number of the financial organization.

b) A copy of a deposit slip for the account into which funds are to be electronically transferred must be attached to the application form required under subsection (a) of this Section.

c) Each participant shall designate only one financial organization and one account number and shall make all necessary arrangements with the designated financial organization for the receipt of electronic fund transfers, including at least:
1) obtaining the organization's written agreement for electronic transfers, on a form supplied by the State Board of Education as approved by the Comptroller; and
2) establishing the frequency and detail of transaction communications to ensure the participant's receipt of the 40-character descriptive entry called for in Section 155.60(c) of this Part, so that the origins of payments can be correctly identified.

d) Participants shall agree and accept that all payments of any kind from the State Board of Education shall be distributed only through electronic transfer.

e) Within thirty days after receipt of a complete application from an eligible participant, the State Board of Education will confirm the electronic transfer of funds for the participant by submission of a pre-note or zero fund transfer, i.e., a practice exercise in which no funds are transmitted.

f) After a successful pre-note transfer from the Comptroller, all payments of any kind to the participant will be made electronically.

Section 155.40 Altering Electronic Fund Transfer Arrangements

a) A participant wishing to designate a different account for the transfer of funds under this Part shall complete a new application form as called for in Section 155.30(a) of this Part and submit it to the State Board of Education at least thirty days before activation of transfers to the new account is desired.

b) Each change in an account will be confirmed via submission of a pre-note transfer as described in Section 155.30(e) of this Part.

c) After the State Board receives confirmation of an accurate pre-note fund transfer, all payments to the participant will be made to the newly designated account.

Section 155.50 Terminating Electronic Fund Transfer Arrangements

a) A participant wishing to terminate the electronic transfer of funds shall submit a letter to the State Board of Education requesting such termination, signed by an official authorized to act on behalf of the participant and stating:
1) The participant's taxpayer identification number or Social Security number;
2) The code for the participant's region, county, district, and type;
3) The participant's name as submitted on the application for participation; and
4) The participant's address.

b) The State Board of Education shall cease electronic transfer of payments to a participant within thirty days after receipt of a letter requesting cancellation. Thereafter, all payments to the entity will be made by warrant. Warrants will be directed to the respective regional superintendents of schools or directly to payees as provided by law.

c) The State Board of Education and the Comptroller shall have the right to terminate an arrangement for the electronic transfer of funds for repeated problems or other interruptions in the processing of

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electronic fund transfers.

Section 155.60 Responsibilities of the State Board of Education

a) The State Board of Education shall follow the instructions given by an eligible participant in an application submitted pursuant to Section 155.30 or Section 155.40 of this Part, or in a request for termination submitted in accordance with Section 155.50 of this Part.
b) The State Board of Education shall transmit all information received from participants pursuant to this Part to the Comptroller, to ensure that participants receive transfers into the correct accounts.
c) The State Board of Education shall transmit to the Comptroller a forty-character descriptive entry for each payment authorized which, when communicated to the participant (see Section 155.70 of this Part), will describe the origin and nature of the payment.
d) The State Board of Education or the Comptroller may withhold payments to a participant as permitted or required by law. The State Board or the Comptroller, as applicable, shall provide written notice to the participant of its action.
e) The State Board of Education may withhold payments to a participant for failure to meet the terms of a contract.
f) The State Board of Education will handle all inquiries regarding electronic fund transfers, and only authorized personnel of the State Board shall forward unresolved inquiries to the Office of the Comptroller.

Section 155.70 Responsibilities of the Comptroller

a) The Comptroller will receive transmissions of information and instructions from the State Board of Education permitting the electronic transfer of funds.
b) In response to instructions received from the State Board, the Comptroller will transmit payments electronically to designated financial institutions. Each such transmission shall include the complete forty-character descriptive entry called for in Section 155.60(c) of this Part.
c) The Comptroller will notify the State Board of Education of all unsuccessful pre-note fund transfers.
d) The Comptroller will issue a warrant instead of transferring funds electronically when:
   1) A designated financial institution rejects a transfer attempted pursuant to this Part; or
   2) An amount is subject to garnishment, offset, or reduction as provided by law. Any amount payable after such action will be issued as a warrant.

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1) Heading of the Part: Pupil Transportation

2) Code Citation: 23 Ill. Adm. Code 275

3)

Section Numbers:	Proposed Action:
275.30	Repeal
275.40	Repeal
275.50	Repeal
275.70	Repeal
275.80	Amendment

4) Statutory Authority: 105 ILCS 5/2-3.6

5) A Complete Description of the Subjects and Issues Involved: This set of amendments responds to Public Act 88-612. This Act transferred to the Secretary of State, effective July 1, 1995, most responsibilities associated with the issuance of permits to school bus drivers, causing the State Board to repeal most of its current rules on that subject. However, because the Act and the rules proposed by the Secretary of State do call for the Board's involvement in the approval ("certification") of bus driver instructors, Section 275.80 (Training) is being amended to set forth the standards for such approval.

6) Will this rulemaking replace any emergency rulemaking currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? No
The rules do not contain an incorporation by reference under Section 5-75 of the Illinois Administrative Procedure Act.

9) Are there any other proposed rulemakings pending on this part? No

10) Statement of Statewide Policy Objectives: This rulemaking will not create or enlarge a state mandate.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments may be submitted within 45 days of the publication of this notice to:

Sally Vogl
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street, S-284
Springfield, Illinois 62777-0001
(217)782-0541

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12) Initial Regulatory Flexibility Analysis: These rules will not affect small businesses.

13) Regulatory Agenda on which this rulemaking was summarized: Jan. 1995

The full text of the Proposed Amendment begins on the next page:

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NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER I: STATE BOARD OF EDUCATION
SUBCHAPTER h: TRANSPORTATION

PART 275
PUPIL TRANSPORTATION

Section
275.10 Definition of a School Bus
275.20 Routing
275.30 Annual Medical Examination and Certificate (Repealed)
275.40 Permit Application Process (Repealed)
275.50 Hearings (Repealed)
275.60 Vehicles Designed to Carry Nine Passengers or Less Excluding the Driver
275.70 Issuance of Permit (Repealed)
275.80 Training
275.90 Bus Safety Training for Students
275.100 Responsibility of Local School Boards
275.110 Operating a School Bus
275.120 Special Education

AUTHORITY: Implementing Section 27-26 and Article 29 of the School Code [105 ILCS 5/27-26 and Art. 29], Section 1-182 of the Illinois Vehicle Code [625 ILCS 5/1-182], Sections 6-104(b) and (d) and 6-106.1 of the Illinois Driver Licensing Law [625 ILCS 5/6-104(b) and (d) and 6-106.1], and Sections 11-406, 11-1202, and 11-1414 of the Illinois Rules of the Road [625 ILCS 5/11-406, 11-1202, and 11-1414] and authorized by Section 2-3.6 of the School Code [105 ILCS 5/2-3.6] and Section 12-812(b) of the Illinois Vehicle Equipment Law [625 ILCS 5/12-812(b)].

SOURCE: Illinois School Bus Transportation Rules and Regulations, amended April 18, 1974; rules repealed, new rules adopted at 2 Ill. Reg. 37, p. 201, effective September 25, 1978; codified at 7 Ill. Reg. 16507; amended at 13 Ill. Reg. 1532, effective January 23, 1989; emergency amendment at 14 Ill. Reg. 6411, effective April 17, 1990, for a maximum of 150 days; emergency expired September 14, 1990; amended at 14 Ill. Reg. 17954, effective October 18, 1990; amended at 19 Ill. Reg. _____, effective _____.

Section 275.30 Annual Medical Examination and Certificate (Repealed)

~~a) All applicants for a school bus driver permit must demonstrate physical fitness to operate school buses by undergoing a medical examination, including tests for drug and alcohol use, conducted by a licensed physician within ninety (90) days of the date of application for such permit.~~

~~b) An applicant who within 90 days of the date of application has~~

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undergone a medical examination complying with Subpart B of 49 CFR 391 (1989) (no later amendments are incorporated herein) and/or drug tests complying with 49 CFR 40 (54 Fed. Reg. 49854, effective January 2, 1990; no later amendments are incorporated herein) shall be exempt from the corresponding requirements of this Section, provided that the applicant submits to the regional superintendent a copy of the federal "medical examiner's certificate" (49 CFR 391.41(d)) and/or a copy of the "drug testing custody and control form" (49 CFR 40.23(a)) signed by the responsible physician.

c) Except as provided in subsection (b), the medical examination for all applicants shall be performed in accordance with the provisions of this Section and 49 CFR 391.43(d). A form conforming to these requirements, as well as the medical examiner's certificate described in subsection (i), can be obtained from the regional superintendent of schools for the use of the examining physician.

d) Each applicant to be tested for drugs shall consent in writing to provide a urine specimen for this purpose as part of the applicant's annual medical examination and shall authorize the release of the results of such tests to the examining physician. Those persons responsible for collection of the specimen shall ensure that the specimen is not substituted, adulterated, or diluted by the applicant during the collection procedure. The specimen container shall be labeled to identify its source and shall be delivered to the testing laboratory by U.S. mail, personal delivery by the physician's staff, a professional messenger service, or by other means which preclude tampering with the specimen. Those persons responsible for collecting, processing, and testing the specimen shall maintain and be able to document a chain of custody for the specimen which ensures its integrity.

e) The specimen shall be tested for marijuana, cocaine, opiates, amphetamines and phencyclidine using the tests and standards for positive test results specified in 49 CFR 40.29(e) and (f). Testing shall be conducted by a laboratory certified by either the Illinois Department of Public Health pursuant to 77 Ill. Adm. Code 510, or the U.S. Department of Transportation pursuant to 49 CFR 40.

f) The laboratory shall report the test results only to the examining physician. The physician shall review confirmed positive test results in order to determine whether there is a legitimate medical explanation of legal drug use for each positive test result. The physician may, at his or her discretion, consult with another physician whose expertise in the area of substance abuse may, in the examining physician's judgment, be helpful in reviewing test results. The physician shall record his or her findings on the applicant's health certificate form. If the physician determines that there is no legitimate medical explanation for a positive test result for one or more of the tested drugs, the applicant shall be ineligible to receive a school bus driver permit.

g) Each applicant, as part of the annual medical examination, shall also

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be tested to assist the physician in determining whether the applicant has a current clinical diagnosis of alcoholism. The physician shall record on the examination form those tests which were administered, as well as the physician's findings as to whether the applicant has a current clinical diagnosis of alcoholism. An applicant with a current clinical diagnosis of alcoholism shall be ineligible for a school bus driver permit.

h) An applicant shall be considered physically qualified to operate a school bus only if he or she:

1) has no loss or impairment of a hand, finger, arm, foot, or leg which would interfere with the safe operation of a school bus, or has had such loss(es) or impairment(s) compensated for in a manner satisfactory to the examining physician;

2) has no established medical history or clinical diagnosis of diabetes mellitus currently requiring insulin for control which is likely to interfere with the ability to control and drive a school bus safely;

3) has no current clinical diagnosis of myocardial infarction, angina pectoris, coronary insufficiency, thrombosis, or any other cardiovascular disease of a variety known to be accompanied by syncope, dyspnea, collapse, or congestive cardiac failure;

4) has no established history or clinical diagnosis of a respiratory dysfunction likely to interfere with the ability to control and drive a school bus safely;

5) has no current clinical diagnosis of high blood pressure likely to interfere with the ability to control and drive a school bus safely;

6) has no established medical history or clinical diagnosis of rheumatic, arthritic, orthopedic, muscular, neuromuscular, or vascular disease likely to interfere with the ability to control and drive a school bus safely;

7) has no established medical history or clinical diagnosis of epilepsy or any other condition which is likely to cause loss of consciousness or any loss of ability to control and drive a school bus safely;

8) has no mental, nervous, organic, or functional disease or psychiatric disorder likely to interfere with the ability to control and drive a school bus safely;

9) has distant visual acuity of at least 20/40 (Snellen) in each eye without corrective lenses, or visual acuity separately corrected to 20/40 (Snellen) or better with corrective lenses, distant binocular acuity of at least 20/40 (Snellen) in each eye with or without corrective lenses, field of vision of at least 70 degrees in the horizontal meridian in each eye, and the ability to recognize the colors of traffic signals and devices showing standard red, amber and green (i.e., no monocular individual may be considered qualified);

10) first perceives a forced whispered voice in the better ear at not

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less than 5 feet with or without a hearing aid or, if tested by use of an audiometric device, does not have an average hearing loss in the better ear greater than 40 decibels at 500 Hz, 1,000 Hz and 2,000 Hz with or without a hearing aid when the audiometric device is calibrated to American National Standard S24.5-1951;

ii) does not use amphetamines, cocaine, marijuana, opiates, phencyclidine, or any other mind altering drug or substance, or any prescribed drug that may interfere with the ability to operate a school bus safely; and

12) has no current clinical diagnosis of alcoholism.

i) The examining physician's conclusion as to whether the person he/she examined is qualified to drive a school bus shall be recorded on a medical examiner's certificate with the following form:

MEDICAL EXAMINER'S CERTIFICATE

I certify that I have examined (driver's name (print)) in accordance with the provisions of Section 275.30 of 23 Ill. Adm. Code 275 (Pupil Transportation) and based upon the results of this examination, including the results of tests for alcohol and drug use required in Section 275.30, I find that he/she is

Qualified under the regulations
Qualified only when wearing corrective lenses
Qualified only when wearing a hearing aid
Not qualified under the regulations

A completed examination form for this person is on file in my office at (address).

_____
Date of Examination

_____
Name of Examining Doctor

_____
Signature of Examining Doctor

_____
Signature of Driver

_____
Address of Driver

j) One copy of the completed certificate is to be presented by the applicant to the regional superintendent in whose region services will be performed; one copy is to be retained by the applicant; and one copy is to be retained by the examining physician.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 275.40 Permit Application Process (Repealed)

a) Each applicant must first successfully complete an interview with the employing school district's designee to determine the acceptability of the applicant in terms of all provisions outlined in Ill. Rev. Stat. 1981, ch. 95 1/2, par. 6 106.1.

b) The individual desiring employment as a school bus driver must complete in an approvable form the "Application for Illinois School Bus Driver's Permit" and submit this with a fee of $2.00 and a completed Annual Health Certificate to the regional superintendent of the county wherein services will be performed.

c)

1) When a review by the Secretary of State's office indicates that an applicant's driving history is acceptable under the provisions of Ill. Rev. Stat. 1981, ch. 95 1/2, par. 6 106.1, the applicant must show proficiency in the knowledge of school bus operation.

A) Applicant must pass a written examination administered by the Secretary of State's office with no more than three incorrect answers.

B) Applicant must show adequate proficiency in a road test administered by the Secretary of State's office in the class of vehicle to be used.

2) These tests must be successfully completed in three attempts and within 90 days prior to the date of application.

d) Reapplicants. Current school bus drivers need not be retested at the Secretary of State's Examining Station except when a change in license classification is necessary. An application submitted by a person who has held a valid Illinois School Bus Driver's Permit within 30 days of the date of application will be noted by the regional superintendent's office as a "Reapplication." The regional superintendent must review the past driving history prior to approval of the application.

e) Substitute Drivers. Those individuals who normally drive when regular school bus drivers are not available must have a permit. Athletic coaches, teachers, and other school employees who occasionally drive school buses which transport students to and from school or school related activities must be qualified and have a school bus driver's permit.

f) Out of State Applicants. Persons residing in a state other than Illinois who desire employment as school bus drivers, must obtain from the Office of the Secretary of State a properly classified operator's license restricted to driving a school bus in Illinois in addition to the operator's license held in the home state. In addition, the

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~~applicant---must--follow--the--procedure--outlined--for--new--resident applicants.~~

~~g) New-Resident-Applicants.--Persons-who-have-relocated-to-the--State--of Illinois--who--desire--employment--as--school-bus-drivers-must-provide documentation-from-the-former-state-of-residence-prior-to--application that--the--requirements--of--Ill.--Rev.--Stat.--1981,-ch.-95-1/2,-par. 6-106.1-(3),-(9)-and-(10)-have-been-met.---This-documentation--must--be attached--to-the-application-form-prior-to-proceeding-to-the-Secretary of-State's-Examining-Station.--The-applicant-must-follow-the-procedure outlined-for-new-applicants.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 275.50 Hearings (Repealed)

~~a) The--regional--superintendent-shall-conduct-a-hearing-for-an-applicant who-has-been-convicted-of-two-traffic-violations-within-two--years--of the-date-of-application.~~

~~b)~~

~~1) Hearings--for--the-purpose-of-reviewing-traffic-violation-history will-be-held-by-the-regional-superintendent-or-a-hearing--officer appointed-by-the-regional-superintendent.~~

~~2) A--hearing--shall--also--be--held--when-a-regional-superintendent suspends-or-revokes-a-School-Bus-Driver's-Permit--upon--receiving notice--that--a--school--bus-driver-has-been-convicted-of-traffic offenses-as-prescribed-in-Ill.-Rev.-Stat.-1981,-ch.-95-1/2,--par. 6-106.1.~~

~~c) The--hearing--officer--will--provide--a--finding--and--a--decision,-in duplicate,-after-the-hearing.~~

~~1) One-copy-is-to--be--retained--in--the--regional--superintendent's office.~~

~~2) One-copy-is-to-be-attached-to-the-application-prior-to-proceeding to--the--Secretary--of--State's--Examining--Station.--The-hearing officer-should-indicate-that-the-applicant-meets-the-requirements by-marking-the-appropriate-space--on--the--application--form--and initialing.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 275.70 Issuance of Permit (Repealed)

~~The-permit-form-shall-be-completed-in-duplicate-by-the-regional--superintendent only--after-the-requirements-of-Ill.-Rev.-Stat.-1981,-ch.-95-1/2,-par.-6-106.1, have-been-successfully-met-and-the-applicant-has-been-enrolled-in--the--initial training--course--addressed--in--Section--275.80-of-this-Part.---One-copy-of-the completed-permit-is-to-be-retained-by-the-regional-superintendent-and-the--card~~

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~~copy-is-to-be-kept-on-the-driver's-person.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 275.80 Training

Initial and refresher training is required of all school bus drivers by Section 6-106.1 of the Illinois Vehicle Code [625 ILCS 5/6-106.1]. Pursuant to Section 3-14.23 of the School Code [105 ILCS 5/3-14.23], Regional Superintendents of Schools are responsible for conducting training programs for school bus drivers, which programs shall be established by the State Board of Education and approved by the Secretary of State pursuant to the Secretary's rules for Transportation (92 Ill. Adm. Code 1035).

a) Section 1035.30 of the Secretary's rules requires the certification of bus driver instructors by the State Board of Education. The following standards shall apply to such certification.
   1) The person must be at least 21 years of age.
   2) The person must hold or have held an Illinois School Bus Driver's Permit, hold a current teaching certificate endorsed for driver education, or have the approval of the regional superintendent as having had other direct involvement in school bus transportation.
   3) The person must have completed the American Red Cross Basic First Aid Course or refresher course within the last three years.
   4) The person must have assisted a certified instructor with the conduct of an initial training course and have received a satisfactory evaluation of overall teaching performance.
   5) Certification of bus driver instructors shall be renewed annually. Renewal shall be sought by the regional superintendent of the region where services will be provided, with the permission of the individual(s) in question and using a form supplied by the State Board of Education. Renewal of certification shall be based on the criteria set forth in subsections (a)(1) through (a)(4) of this Section.
b) The State Board shall notify each regional superintendent of the certification status of all affected instructors in his or her region and of any deficiencies preventing the certification of any individual. The regional superintendent shall be responsible for notifying instructors of their status.
c) The regional superintendent shall be responsible for notifying the employers of all bus drivers who complete initial or refresher training courses.

~~a) Initial-training-as-well-as-annual-refresher-training-for--school--bus drivers--is--required--by--Ill.--Rev.--Stat.--1981,--ch.--95-1/2,-par. 6-106.1(a)(8).~~

~~b) Each-new-applicant-shall-be-enrolled-in-the-initial--classroom--course in--school--bus-driver-safety-offered-by-the-State-Board-of-Education.~~

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~~This course must be completed within 45 school days from the date of application.~~

~~c) The first aid portion of this course may be waived at the discretion of the respective regional superintendent where documentation is provided that the applicant has completed a certified course in first aid methods recognized by the State Board of Education within 12 months of the date of application.~~

~~d) Failure to complete the initial training course within 45 school days will require suspension of the holder's school bus driver's permit until evidence of successful course completion can be shown.~~

~~e) Prior to obtaining a school bus driver's permit, the employer shall certify to the regional superintendent that the applicant has been provided sufficient practical behind the wheel instruction to ensure that the applicant has exhibited proficiency in the safe and proper operation of a school bus.~~

~~f) Annual refresher courses are required for each school bus driver and shall consist of the following minimum requirements:~~

~~1) The regional superintendent is responsible for establishing and conducting the annual refresher training.~~

~~2) Refresher training courses shall be a minimum of two hours in length, one hour of which must cover first aid.~~

~~3) Refresher training must be taught by an instructor certified by the regional superintendent.~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Credit Accident and Health Insurance

2) Code Citation: 50 Ill. Adm. Code 952

3) Section Numbers: Proposed Action:

952.10	Renumbered
952.15	New Section
952.20	New Section
952.30	New Section
952.40	Renumbered and Amended

4) Statutory Authority: Implementing Section 155.58 and authorized by Section 155.62 of the Illinois Insurance Code [215 ILCS 5/155.58 and 155.62].

5) A Complete Description of the Subjects and Issues Involved: The Department is making changes to establish procedures and standards for the review and approval of credit accident and health policy forms.

6) Will this proposed Amendment replace emergency rule currently in effect? No.

7) Does this Amendment contain an automatic repeal date? No.

8) Does this proposed Amendment contain incorporations by reference? No.

9) Are there any other proposed Amendments pending on this Part? No.

10) Statement of Statewide Policy Objectives: These amendments will not necessitate that the Department establish, expand, or modify its activities in such a way as to necessitate additional expenditures from local revenues.

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Denise Fuchs		Mary Meyer
Rules Unit Supervisor		Paralegal
Department of Insurance		Department of Insurance
320 West Washington	(or)	320 West Washington
Springfield, IL 62767		Springfield, IL 62767
(217) 785-8560		(217) 785-8220

12) Initial Regulatory Flexibility Analysis: The Department has determined that these amendments will not impact small business.

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13) Regulatory Agenda on which this amendment was summarized: January 1995

The full text of the Proposed Amendment begins on the next page:

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TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER m: CREDIT LIFE AND CREDIT ACCIDENT INSURANCE

PART 952
CREDIT ACCIDENT AND HEALTH INSURANCE

Section
952.10 Filing and Approval of Premiums (Renumbered)
952.15 Purpose
952.20 Definitions
952.30 Credit Accident and Health Insurance Coverage
952.40~~952.10~~ Filing and Approval of Premiums

AUTHORITY: Implementing Section 155.58 and authorized by Section 155.62 of the Illinois Insurance Code [215 ILCS 5/155.58 and 155.62].

SOURCE: Filed November 20, 1959, effective December 1, 1959; codified at 7 Ill. Reg. 3006; amended at 19 Ill. Reg. _____, effective _____.

Section 952.10 Filing and Approval of Premiums (Renumbered)

(Source: Section 952.10 renumbered to Section 952.40 at 19 Ill. Reg. _____, effective _____)

Section 952.15 Purpose

The purpose of this Part is to establish procedures and standards for the review and approval of credit accident and health insurance policy forms.

(Source: Added at 19 Ill. Reg. _____, effective _____)

Section 952.20 Definitions

"Credit accident and health insurance" means insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other credit transaction while the debtor is disabled as defined in the policy [215 ILCS 5/155.52(b)].

(Source: Added at 19 Ill. Reg. _____, effective _____)

Section 952.30 Credit Accident and Health Insurance Coverage

If coverage for credit accident and health insurance is contingent upon the insured working a minimum amount of hours during a specific time frame, then

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the application for insurance must contain a question eliciting the number of hours the insured works during this time frame.

(Source: Added at 19 Ill. Reg. _____, effective _____)

Section 952.40 ~~952.10~~ Filing and Approval of Premiums

In determining whether or not the benefits in any policy form submitted by an insurer for approval are "reasonable" in relation to the premium, an ultimate loss ratio of fifty percent (50%) will be deemed to provide benefits reasonable in relation to the premium.

(Source: Section 952.40 renumbered from Section 952.10 and amended at 19 Ill. Reg. _____, effective _____)

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1) Heading of the Part: Minimum Standards of Individual Accident and Health Insurance

2) Code Citation: 50 Ill. Adm. Code 2007

3) Section Numbers: Proposed Action:

2007.10	Amended
2007.20	Amended
2007.30	Amended
2007.40	Amended
2007.50	Amended
2007.60	Amended
2007.70	Amended
2007.80	Amended
2007.90	Amended

4) Statutory Authority: Implementing Section 355a and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/355a and 401].

5) A Complete Description of the Subjects and Issues Involved: The Department is amending this rule to further clarify our regulatory intent.

6) Will this proposed amendment replace emergency rule currently in effect? No

7) Does this amendment contain an automatic repeal date? No

8) Does this proposed amendment contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: These proposed amendments will not establish, expand or modify the Department's activities in such a way as to necessitate additional expenditures from local revenues.

11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

David Van Lieshout
Assistant Chief Counsel
Department of Insurance
320 West Washington
Springfield, IL 62767
(217) 782-2867

(or)

Denise Fuchs
Rules Unit Supervisor
Department of Insurance
320 West Washington
Springfield, IL 62767
(217) 785-8560

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12) Initial Regulatory Flexibility Analysis: The Department has determined that these amendments will not affect small businesses.

13) Regulatory Agenda on which this amendment was summarized: January 1995

The full text of the Proposed Amendment begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER z: ACCIDENT AND HEALTH INSURANCE

PART 2007
MINIMUM STANDARDS OF INDIVIDUAL ACCIDENT
AND HEALTH INSURANCE

Section
2007.10 Authority
2007.20 Purpose
2007.30 Applicability
2007.40 Revision of Noncomplying Policy Form and Subscriber Contracts Certificate of Compliance Required
2007.50 Definitions
2007.60 Prohibited Policy Provisions
2007.70 Accident and Health Minimum Standards for Benefits
2007.80 Required Disclosure Provisions
2007.90 Requirements for Replacement
2007.100 Severability

AUTHORITY: Implementing Section 355a and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/355a and 401].

SOURCE: Adopted at 2 Ill. Reg. 30, p. 41, effective August 1, 1978; amended at 4 Ill. Reg. 45, p. 102, effective March 1, 1981; amended at 6 Ill. Reg. 7072, effective May 27, 1982; codified at 7 Ill. Reg. 10591; amended at 12 Ill. Reg. 6921, effective April 1, 1988; amended at 15 Ill. Reg. 7658, effective May 7, 1991; amended at 19 Ill. Reg. _____, effective _____.

Section 2007.10 Authority

This Part is issued by the Director of Insurance pursuant to Section 401 of the Illinois Insurance Code [215 ILCS 5/401] ~~{Ill. Rev. Stat. 1989, ch. 73, par. 1013}~~ which empowers the Director *". . . to make reasonable rules and regulations as may be necessary for making effective . . ."* ~~". . . to make reasonable rules and regulations as may be necessary for making effective . . ."~~ the insurance laws of this State. This Part implements Section 355a of the Illinois Insurance Code [215 ILCS 5/355a] ~~{Ill. Rev. Stat. 1989, ch. 73, par. 967a}~~.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.20 Purpose

The purpose of this Part is to define terms, establish minimum standards for benefits, prohibit certain policy provisions and require ~~certain~~ disclosure

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provisions and replacement procedures in relation to policies of individual accident and health insurance.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.30 Applicability

a) This Part shall apply to all individual accident and health insurance policies except that it shall not apply to individual policies issued pursuant to a conversion privilege under a policy of group or individual insurance when such individual policy includes provisions which are inconsistent with the requirements of this Part ~~part~~, nor to policies being issued to employees or members as additions to franchise plans in existence prior to July 17, 1978.

b) The requirements contained in this Part shall be in addition to any other applicable regulations ~~Rules~~.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.40 Revision of Noncomplying Policy Form and Subscriber Contracts Certificate of Compliance Required

a) Any policy as defined in Section 355a of the Illinois Insurance Code [215 ILCS 5/355a] previously filed and approved by the Director need not be refiled if such policy is in compliance with the requirements of this Part. Any previously approved policy which does not comply with the requirements of this Part shall ~~must~~ be amended by rider or revised and resubmitted in duplicate with a duplicate letter of transmittal.

b) All forms and contracts required to be revised and resubmitted by this Part shall be accompanied by a Certificate of Compliance and Consent to ~~Future~~ Discontinuance of Future Use of Approved Policy Form as required by 50 Ill. Adm. Code 916.Exhibit A.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.50 Definitions

Except as provided hereafter, no individual accident or health insurance policy delivered or issued for delivery to any person in this State shall contain definitions respecting the matters set forth below unless such definitions comply with the requirements of this Section.

~~"Accident" and "Accidental Injury"~~
"Accident" and "Accidental Injury" shall be defined to employ "result"

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language and shall not include words which establish an accidental means test or use words such as "external," "violent," "visible" or similar words of description or characterization. The definition shall not be more restrictive than the following: "Injury or injuries, for which benefits are provided, means accidental bodily injuries sustained by the insured person which are the direct cause of loss, independent of disease cause of loss, independent of disease or bodily infirmity and occurring while the insurance is in force."

(AGENCY NOTE: The fact that the injury combined with other factors to produce the loss does not necessarily relieve the insurer of liability. Each claim must be judged on the basis of its particular facts and in light of the court decisions, to determine whether the injury is to be considered as the cause of the loss.)

Such definition may provide that injuries shall not include injuries for which benefits are provided under any workers' compensation, employer's liability or similar law, motor vehicle no-fault plan, unless prohibited by law, or injuries occurring while the insured person is engaged in any activity pertaining to any trade, business, employment, or occupation for wage or profit.

"Convalescent Nursing Home," "Extended Care Facility," or "Skilled Nursing Facility" shall be defined in relation to its status, facilities and available services.

A definition of such home or facility shall not be more restrictive than one requiring that it:

be operated pursuant to law;

be approved for payment of Medicare benefits or be qualified to receive such approval, if so requested;

be primarily engaged in providing, in addition to room and board accommodations, skilled nursing care under the supervision of a duly licensed physician;

provide continuous 24 hours a day nursing service by or under the supervision of a registered graduate professional nurse (R.N.); and

maintains a daily medical record of each patient.

The definition of such home or facility may provide that such term shall not be inclusive of:

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any home, facility or part thereof used primarily for rest;

a home or facility for the aged or for the care of drug addicts or alcoholics; or

a home or facility primarily used for the care and treatment of mental diseases or disorders, or custodial or educational care.

"Home Health Care Agency" shall not be defined more restrictively than a public agency or private organization that provides skilled nursing services and meets the following requirements:

It is primarily engaged in providing home health care services;

Its policies are established by a group of professional personnel (including at least one physician and one registered nurse (R.N.));

Supervision of home health care services is provided by a physician or a registered nurse (R.N.);

It maintains clinical records on all patients; and

It has a full time administrator.

"Home Health Care" shall not be defined more restrictively than skilled nursing care or services provided to a person at a residence according to a plan of treatment for illness or infirmity prescribed by a physician. Such services shall include, but are not limited to, the following:

Part time and intermittent skilled nursing services - Services given to a patient at least once every 60 days or as frequently as a few hours per day, several days per week.

Therapeutic Services:

Physical Therapy;

Occupational Therapy;

Speech and Hearing Therapy;

Medical social services, medical supplies, drugs and medicines prescribed by a physician and related pharmaceutical services and laboratory services to the extent such charges or costs would have been covered under the policy if the insured person had

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remained in the hospital.

"Hospital" may be defined in relation to its status, facilities and available services or to reflect its accreditation by the Joint Commission on Accreditation of Hospitals.

The definition of the term "hospital" shall not be more restrictive than one requiring that the hospital;

be an institution operated pursuant to the law; and

be primarily and continuously engaged in providing or operating medical and diagnostic facilities, with major surgical facilities either on its premises or in facilities available to the hospital on a prearranged basis, under the supervision of a staff of duly licensed physicians, for the medical care and treatment of sick or injured persons on an in-patient basis for which a charge is made; and

provide 24 hours nursing service by or under the supervision of registered graduate professional nurses (R.N.'s).

The definition of the term "hospital" may state that such term shall not be inclusive of:

convalescent, rest, or nursing homes or facilities; or

facilities primarily affording custodial or educational care or care or treatment for persons suffering from mental diseases or disorders; or

facilities for the aged, mentally ill, drug addicts or alcoholics (except for a unit of a hospital dedicated to the treatment of drug addicts or alcoholics or the mentally ill);

any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or agency thereof for the treatment of members or ex-members of the armed forces, except for services rendered on an emergency basis where a legal liability exists for charges made to the individual for such services.

"Medicare" shall be defined in any hospital, surgical or medical expense policy which relates its coverage to eligibility for Medicare or Medicare benefits. Medicare may be substantially defined as "The Health Insurance for the Aged Act, Subchapter XVIII of the Social Security Amendments of 1965 as then constituted or later amended (42

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U.S.C. 1395 et seq.)," or "Title I, Part I of Public Laws 89-97, as Enacted by the Eighty-Ninth Congress of the United States of America and popularly known as the Health Insurance for the Aged Act (42 U.S.C. 395 et seq.), as then constituted and any later amendments or substitutes thereof" or words of similar import.

"Mental or Nervous Disorders" shall not be defined more restrictively than a definition including neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease or disorder of any kind.

"Nurses" may be defined so that the description of nurse is restricted to a type of nurse, such as registered graduate professional nurse (R.N.), a licensed practical nurse (L.P.N.), or a licensed vocational nurse (L.V.N.). If the words "nurse," "trained nurse" or "registered nurse" are used without specific instruction, then the use of such terms requires the insurer to recognize the services of any individual who qualifies under such terminology in accordance with the applicable statutes or administrative rules of the licensing or registry board of the state.

"One period of confinement" or "continuous hospital confinement" means consecutive days of in-hospital service received as an in-patient, or successive confinements when discharge from and readmission to the hospital occurs within a period of time not more than 90 days or three times the maximum number of days of in-hospital coverage provided by the policy to a maximum of 180 days, whichever is greater.

"Partial Disability" shall be defined in relation of the individual's inability to perform one or more, but not all, of the "major," "important," or "essential" duties of employment or occupation or may be related to a percentage of time worked, to a specified number of hours or to compensation. Where a policy provides total disability benefits and partial disability benefits, only one elimination period may be required.

"Physician" may be defined by including words such as "duly qualified physician" or "duly licensed physician." The use of such terms requires an insurer to recognize and to accept, to the extent of its obligation under the contract, all providers of medical care and treatment when such services are within the scope of the provider's licensed authority and are provided pursuant to applicable laws dealing with physician licensure.

"Residual Disability" shall be defined in relation to the individual's reduction in earnings and may be related either to the inability to perform some part of the "major," "important," or "essential" duties of employment or occupation, or to the inability to perform all usual business for as long as is usually required. A policy which provides

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for residual disability benefits may require a qualification period, during which the insured must be continuously totally disabled before residual disability benefits are payable. The qualification period for residual benefits may be longer than the elimination period for total disability. In lieu of the term "residual disability," the insurer may use "proportionate disability" or other term of similar import which in the opinion of the Director adequately and fairly describes the benefit.

"Sickness" shall not be defined to be more restrictive than the following: "Sickness means sickness or disease of an insured person which first manifests itself after the effective date of insurance and while the insurance is in force." A definition of sickness may provide for a probationary period which will not exceed thirty (30) days from the effective date of the coverage of the insured person. The definition may be further modified to exclude sickness or disease for which benefits are provided under any workers' compensation, occupational disease, employer's liability or similar law.

"Total Disability"

A general definition of total disability cannot be more restrictive than one requiring the individual to be totally disabled from engaging in any such employment or occupation which he could, giving due consideration of his education, training or experience be reasonably expected to engage in and is not in fact engaged in any employment or occupation for wage or profit.

Total disability may be defined in relation to the inability of the person to perform duties but may not be based solely upon an individual's inability to:

Perform "any occupation whatsoever," "any occupational duty," or "any and every duty of his occupation,"

Engage in any training or rehabilitation program.

An insurer may specify the requirement of the complete inability of the person to perform all of the substantial and material duties of his regular occupation or words of similar import. An insurer may require care by a physician other than the insured or a member of the insured's immediate family.

When through a specific provision of a policy, disability coverage is provided to a retired person, such definition shall not require more than the insured be completely unable to engage in the normal activities of a retired person of like age and good health.

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(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.60 Prohibited Policy Provisions

a) Except as provided in Section 2007.50 definition of "sickness", no policy shall contain provisions establishing a probationary or waiting period during which no coverage is provided under the policy subject to the further exception that a policy may specify a probationary or waiting period not to exceed six (6) months for specified diseases or conditions and losses resulting therefrom for hernia, varicose veins, adenoids, appendix and tonsils. However, the permissible six (6) months exception shall not be applicable where such specified diseases or conditions are treated on an emergency basis. Accident policies shall not contain a probationary or waiting period.

b) No policy or rider for additional coverage may be issued as a dividend unless an equivalent cash payment is offered to the policyholder as an alternative to such dividend policy or rider. No such dividend policy or rider shall be issued for an initial term of less than six (6) months.

c) A disability policy, hospital confinement indemnity policy or specified disease policy may contain a "return of premium" or "cash value benefit" so long as:

1) The policy provides for a return of 100% of all premiums paid less the claims incurred by the time the insured attains age 65. A percentage of less than 100%, but greater than 50%, is permissible if the "return of premium" or "cash value benefit" has been in force for 10 years or less;
2) The policy contains a reasonable nonforfeiture benefit and provides for the value to be paid automatically upon lapse or death;
3) The surrender value percentages are not less than those calculated assuming 1958 Commissioners Standard Ordinary Mortality, 5% interest and 5 year preliminary term;
4) An acceptable method of reserving is approved by the Director concurrent with approval of the policy. Reserves should exceed or equal the cash value at all durations;
5) The surrender value percentages are calculated assuming a zero percent future claim offset;
6) The surrender value percentages are defined for all policy years (surrender value percentages may be shown only for the first twenty policy years, but under these conditions the contract shall ~~must~~ define the method used to determine the surrender value percentages after the twentieth contract year);
7) The interim surrender value percentages are defined when premiums are paid within a contract year;
8) The policy does not tie the return of premium to anything less than 100% of the premiums paid less claims paid.

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d) Accident and Health policies shall not contain provisions excluding coverage for:

1) Confinement in a hospital operated by a Federal, State or Local Government;
2) Charges for medical services provided by a Federal, State or Local Government;

where a liability exists for charges made to or on behalf of the insured or covered dependents.

e) No policy shall limit or exclude coverage by type of illness, accident, treatment or medical condition, except as follows:

1) Preexisting conditions or diseases;
2) Mental or emotional disorders, alcoholism; intoxication and drug addiction; (policies which exclude benefits for alcoholism or intoxication shall provide the following definition: "That which is defined and determined by the laws of the jurisdiction where the loss or cause of the loss was incurred")
3) Pregnancy, except for complications of pregnancy;
4) Rehabilitative care, except that where benefits, in whole or in part, would be payable for such care under the terms of coverage, those benefits shall ~~may~~ not be denied on the basis that such care or treatment was provided, in whole or in part, in a rehabilitation institution, if such institution was a fully accredited hospital as defined in Section 2007.50 of this Part at the time care or treatment was provided;
5) Injury, illness, treatment or medical condition arising out of:
   A) war or act of war (whether declared or undeclared); participation in a felony, riot or insurrection; service in the armed forces or units auxiliary thereto,
   B) suicide (sane or insane), attempted suicide or intentionally self-inflicted injury,
   C) aviation,
   D) with respect to short-term nonrenewable policies, interscholastic sports;
6) Cosmetic surgery, except that "cosmetic surgery" shall not include reconstructive surgery when such service is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part;~~.~~
7) Foot care in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain, or symptomatic complaints of the feet;~~.~~
8) Benefits provided under Medicare, ~~or~~ any state or federal worker's ~~workmen's~~ compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; services rendered by employees of hospitals, laboratories or other institutions; services performed by a member of the covered person's immediate family; and services for which no charge is normally made in the absence of insurance;~~.~~
9) Dental care or treatment;

10) Eye glasses, hearing aids and examination for the prescription or fitting thereof;
11) Rest cures, custodial care, transportation and routine physical examinations;
12) Territorial limitations;~~.~~
13) Sex change surgery or surgical sterilization;
14) Tests or x-rays not related to diagnosis;
15) Infertility;
16) Drugs, therapies, procedures or treatments which are not medically necessary;
17) Weight reduction procedures, treatments or classes (except for morbid obesity);
18) Smoking cessation classes or patches.

f) No provision of this Part shall prohibit the use of any policy provision which is required or permitted by statute. Other provisions of this Part shall not impair or limit the use of waivers to exclude, limit or reduce coverage or benefits for specifically named or described preexisting diseases, physical condition or extra hazardous activity. Where waivers are required as a condition of issuance, renewal or reinstatement, signed acceptance by the insured is required unless on initial issuance the full text of the waiver is contained either on the first page, or specification page of the policy, or unless notice of the waiver appears on the first page or specification page.

g) No policy, rider or endorsement providing benefits for loss due to an accident or accidental injury shall contain a provision or clause limiting, reducing or excluding liability for a loss resulting from purely accidental circumstances (e.g., involuntary or unintentional ingestion of poison or inhalation of poisonous gases or fumes). This restriction shall not preclude the exclusion of loss due to suicide or attempted ~~attempt~~ suicide ~~thereat~~ by properly drawn language nor shall it preclude approval of a benefit for loss from defined accidents, such as travel, sport and student accident insurance.

h) No policy, rider or endorsement shall limit or exclude coverage for illness, accident, treatment or medical condition by using a general exclusion for complications arising from a covered condition or the treatment of a covered condition. This restriction shall not preclude the exclusion of loss due to such complications which are specifically named.

i) Policy provisions precluded in this Section shall not be construed as a limitation on the authority of the Director to disapprove other policy provisions in accordance with ~~Insurance Code~~ Section 143~~.~~(1) of the Illinois Insurance Code [215 ILCS 5/143(1)]~~.~~ ~~(Ill.~~ ~~Rev.~~ ~~Stat.~~ ~~1989,~~ ~~ch.~~ ~~73,~~ ~~par.~~ ~~755(1))~~, which, in the opinion of the Director, are unjust, unfair, or unfairly discriminatory to the policyholder, beneficiary, or any person insured under the policy.

(Source: Amended at 19 Ill. Reg. _____, effective

_____)

Section 2007.70 Accident and Health Minimum Standards for Benefits

a) The following minimum standards for benefits are prescribed for the categories of coverage noted in the following subsection. No individual policy of accident and health insurance shall be delivered or issued for delivery in this State which does not meet the required minimum standards for the specified categories unless the Director finds that such policies are Limited Benefit Health Insurance in which case ~~and~~ the Outline of Coverage shall comply ~~complies~~ with ~~the appropriate outline in~~ Section 2007.80(c) of this Part.

b) Nothing in this Section shall preclude the issuance of any policy combining two or more categories of coverage as set forth in Section 355a~~,~~ ~~subsection~~(4), of the Illinois Insurance Code [215 ILCS 5/355(a)(4)].

1) General Rules

A) A "noncancellable," "guaranteed renewable," or "noncancellable and guaranteed renewable" policy shall not provide for termination of coverage of the spouse solely because of the occurrence of an event specified for termination of coverage of the insured, other than nonpayment of premium. The policy shall provide that in the event of the insured's death the spouse of the insured, if covered under the policy, shall become the insured.

B) The terms "noncancellable," "guaranteed renewable," or "noncancellable and guaranteed renewable" shall not be used without further explanatory language in accordance with the disclosure requirements of Section 2007.80(a)(1) of this Part. The terms "noncancellable" or "noncancellable and guaranteed renewable" shall be defined as in 50 Ill. Adm. Code 2003.

C) In a family policy covering both husband and wife, the age of the younger spouse shall ~~must~~ be used as the basis for meeting the age and durational requirements of the definitions of "noncancellable" or "guaranteed renewable." However, this requirement shall not prevent termination of coverage of the older spouse upon attainment of the stated age limit (e.g., age 65) so long as the policy may be continued in force by ~~as to~~ the younger spouse to the age or for the durational period as specified in said definition.

D) If a policy contains a status-type military service exclusion of a provision which suspends coverage during military service, the policy shall provide, upon receipt of written request, for refund of premiums as applicable to such person on a pro rate basis.

E) Policies providing normal pregnancy benefits shall provide that in the event the insurer cancels or refuses to renew

the policy there shall be an extension of benefits for ~~as to~~ pregnancy commencing while the policy is in force and at the same level for which benefits would have been payable had the policy remained in force.

F) Policies providing convalescent or extended care benefits following hospitalization shall not condition such benefits upon admission to the convalescent or extended care facility within a period of less than fourteen (14) days after discharge from the hospital.

G) Any medical, surgical or other expense benefit for the recipient insured in a transplant operation may specify the limits for such specific benefit relating to donors, or shall provide reimbursement of such expense of the live donor to the extent that such benefits remain and are available under the recipient's policy, after benefits for the recipient's own expenses have been paid.

H) A policy may contain a provision relating to recurrent disabilities provided, however, that no such provision shall specify that a recurrent disability be separated by a period greater than six (6) months.

I) Any pre-existing condition exclusion shall ~~must~~ be administered in accordance with 50 Ill. Adm. Code 2005. When a definition of preexisting condition(s) is required by 50 Ill. Adm. Code 2005.50, for purposes of readability, it may be summarized in the appropriate policy provision by a definition reading substantially as follows:

"A pre-existing illness (condition) means any condition that was diagnosed or treated by a physician within 24 months prior to the effective date of the coverage, or produced symptoms within 12 months prior to the effective date of coverage that would have caused an ordinarily prudent person to seek medical diagnosis or treatment."

J) Accidental death and dismemberment benefits shall be payable if the loss occurs within ninety (90) days from the date of the accident, irrespective of total disability. Disability income benefits, if provided, shall not require the loss to commence less than thirty (30) days after the date of accident, nor shall any policy which the insurer cancels or refuses to renew require that it be in force at the time the disability commences if the accident occurred while the policy was in force.

K) Specific dismemberment benefits shall not be in lieu of other benefits unless the specific dismemberment benefit equals or exceeds the other benefits.

L) Any accident only policy providing benefits which vary according to the type of accidental cause shall prominently set forth in the outline of coverage the circumstances under

which benefits payable are less than the maximum amount payable under the policy.

M) Nonrenewal of the policy shall be without prejudice to any continuous loss which commenced while the accident and sickness policy was in force, but the extension of benefits beyond the period the policy was in force may be predicated upon the continuous total disability of the covered person limited to a period of one year for health care benefits, limited to the duration of the policy benefit period (if any), and/or limited to the payment of the maximum benefits. The extension of benefits requirement does not apply to single premium nonrenewal policies.

N) Total Disability or Totally Disabled for the purposes of this Section means the complete incapacity of the covered person as the result of an injury or sickness:

i) to engage in any occupation for pay or profit, or if not employed, to engage in the normal activities of a person of the same age; and

ii) which requires the regular care of a physician other than a covered person.

O) Extension and limitation of coverage means if a covered person is totally disabled on his/her coverage termination date the coverage provided for that covered person by this policy and any attached riders will be extended. During the extended coverage the applicable policy and rider provisions, exclusions, exceptions and limitations will be the same as would have applied had coverage not terminated for such covered person. This extension is limited to confinement and/or expenses incurred:

i) for the injury or sickness which caused the total disability;

ii) during the uninterrupted continuance of the total disability; and

iii) during the twelve months following the covered person's coverage termination date.

P) All policies issued, whether or not such policy contains the refund provision, shall be administered to provide a refund of any unearned premiums upon death of any insured member from date of death if the Company receives a written request for unearned premium from the policy owner or the person entitled thereto.

2) Basic Hospital Expense Coverage

"Basic Hospital Expense Coverage" is a policy of accident and health insurance which provides coverage for a period of not less than thirty-one (31) days during any continuous hospital confinement for each person insured under the policy, for expense incurred for necessary treatment and services rendered as a result of accident or sickness. Coverage shall be for at least

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the following:

A) Daily hospital room and board in an amount not less than the lesser of
   i) 80% of the charges for semi-private room accommodations or
   ii) $100.00 per day; except that $100.00 may be reduced to $70.00 outside the metropolitan area.

B) Miscellaneous charges made by the hospital for services and supplies which are customarily rendered by the hospital and provided for use only during any one period of confinement in an amount not less than either 80% of the charges incurred up to at least $1,000.00 or ten times the daily hospital room and board benefits.; ~~and~~

C) Hospital outpatient services consisting of
   i) hospital services on the day surgery is performed;
   ii) hospital services rendered within 72 hours after accidental injury, in an amount not less than $50.00; ~~and~~
   iii) X-ray and laboratory tests for the purpose of a diagnosis and treatment of an accidental injury or a sickness, in an amount not less than $100.00, but only to the extent that benefits for x-ray and laboratory tests would have been provided if rendered to an in-patient of the hospital.

D) Benefits provided under subsection (b)(2)(A) and (B) above, may be provided subject to a combined deductible amount not in excess of $100.00.

3) Basic Medical-Surgical Expense Coverage

"Basic Medical-Surgical Expense Coverage" is a policy of accident and health insurance which provides coverage for each person insured under the policy for the expenses incurred for the necessary services rendered by a physician for treatment of an injury or sickness. Coverage shall be for at least the following:

A) Surgical services:
   i) in amounts not less than those provided on a fee schedule based on the relative values contained in the state of New York certified surgical fee schedule, or the 1964 California Relative Value Schedule or other acceptable relative value scale of surgical procedures, up to a maximum of at least $500.00 for any one procedure; or
   ii) not less than 80% of the reasonable charges.

B) Anesthesia services, consisting of administration of necessary general anesthesia and related procedures in connection with covered surgical service rendered by a physician other than the physician (or his assistant) performing the surgical services:

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   i) in an amount not less than 80% of the reasonable charges; or
   ii) 15% of the surgical service benefit.

C) In-hospital medical services, consisting of physician services rendered to a person who is a bed patient in a hospital for treatment of sickness or injury, other than that for which surgical care is required, in an amount not less than 80% of the reasonable charges; or $5.00 per day for not less than twenty-one (21) days during one period of confinement.

4) Hospital Confinement Indemnity Coverage

"Hospital Confinement Indemnity Coverage" is a policy of accident and health insurance which provides for not less than $30.00 per day and for not less than thirty-one (31) days during any one period of confinement for each person insured under the policy. The policy may contain a benefit limit less than $30.00 per day if the policy benefit period is extended to reflect a maximum amount payable under a $30.00 per day policy with a thirty-one maximum confinement period for any one period of confinement.

5) Major Medical Expense Coverage

"Major Medical Expense Coverage" is an accident and health insurance policy which provides hospital, medical and surgical expense coverage, to an aggregate maximum of not less than $10,000.00; co-payment by the covered person not to exceed 25% of covered charges; a deductible stated on a per person, per family, per illness, per benefit period, or per year basis, or a combination of such bases not to exceed 5% of the aggregate maximum limit under the policy, unless the policy is written to complement underlying hospital and medical insurance in which case such deductible may be increased by the amount of the benefits provided by such underlying insurance, for each covered person. The aggregate maximum shall be increased not less than $3.00 for each $1.00 by which the deductible exceeds the minimum. Major medical expense insurance shall ~~must~~ provide for each covered person coverage of:

A) Daily hospital room and board expenses, prior to application of the co-payment percentage, for not less than $50.00 daily or, in lieu thereof, the average daily cost of semi-private room rate in the area where the insured resides, for a period of not less than thirty-one days during any period of continuous hospital confinement;

B) Miscellaneous Hospital Services, prior to application of the co-payment percentage, for an aggregate maximum of not less than $1,500.00 or 15 times the daily room and board rate if specified in dollar amount;

C) Surgical Services, prior to application of the co-payment percentage, to a maximum of not less than $600.00 for the most severe operation with the amounts provided for other

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operations reasonably related to such maximum amount; anesthetic services, prior to application of the co-payment percentage, of at least 15% of the covered surgical fees or, alternatively, if the surgical schedule is based on relative values, not less than the amount provided therein for anesthetic services at the same unit value as used for surgical schedule;

D) Physician visits, in or out of the hospital with minimum dollar amounts per visit, prior to application of the co-payment percentage, equal to not less than $8.00 per visit, covering not less than one visit per day and for an aggregate maximum of such covered charges of not less than $600.00;

E) Out of Hospital Diagnostic X-rays and Tests, prior to application of the co-payment percentage, for an aggregate maximum of such covered charges of not less than $600.00;

F) Not fewer than 3 of the following additional benefits, prior to application of the co-payment percentage, for an aggregate maximum of such covered charges of not less than $1,000.00;

i) private duty registered, or if not available, licensed practical nurse services performed by other than a family member while the insured is hospital confined;

ii) convalescent nursing home care;

iii) diagnosis and treatment by a radiologist or physiotherapist;

iv) rental of special medical equipment, as defined by the insurer in the policy;

v) artificial limbs or eyes, casts, splints, trusses or braces;

vi) treatment for functional nervous disorders, and mental or emotional disorders;

vii) out of hospital prescription drugs and medications.

6) Disability Income Protection Coverage

"Disability Income Protection Coverage~~,~~" is a policy which provides for periodic payments, weekly or monthly, for a specified period during the continuance of disability resulting from either sickness or injury or a combination thereof which has a maximum period of time for which it is payable during disability of at least six (6) months. A disability income protection policy may provide for reduction by the amount of Social Security benefits at inception of any claim but no benefit reduction shall be permitted to offset a Social Security benefit increase during a benefit period.

7) Accident Only Coverage

"Accident Only Coverage" is a policy of accident insurance which provides coverage, singly or in combination, for death, dismemberment, disability or hospital and medical care caused by

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accident. Accidental death and double dismemberment amounts under such a policy shall be at least $1,000.00 and a single dismemberment shall be at least $500.00.

8) Specified Coverages

"Specified Disease Coverage" pays benefits for the diagnosis and treatment of a specifically named disease or diseases. Any such policy shall ~~must~~ meet the following general requirements ~~rules~~ and one of the following sets of minimum standards for benefits~~;~~ ~~such.~~ Insurance ~~insurance~~ covering cancer~~-~~, whether cancer only or in conjunction with other condition(s) or disease(s)~~-~~, shall ~~must~~ meet the standards of subsection (b)(8)(C) ~~(c)~~ or (D) ~~(d)~~~~;~~ below. Insurance ~~insurance~~ covering specified disease(s) other than cancer shall ~~must~~ meet the standards of subsections (b)(8)(B) ~~(b)~~ or (D) ~~(d)~~~~;~~ below.

A) General Requirements ~~Rules~~:

i) All advertising materials used in conjunction with a specified disease policy shall ~~must~~ accompany the policy filing.

ii) Policies covering a single specified disease or combination of specified diseases shall ~~may~~ not be sold or offered for sale other than as specified disease covered under this Section.

iii) Any policy issued pursuant to this Section which conditions payment upon pathological diagnosis of a covered disease, shall also provide that if such a pathological diagnosis is medically inappropriate, a clinical diagnosis will be accepted in lieu thereof.

iv) Notwithstanding any other provision of this Part ~~regulation~~, specified disease policies shall provide benefits to any covered person not only for the specified disease(s), but also for any other condition(s) or disease(s) directly caused or aggravated by the specified disease(s) or the treatment of the specified disease(s).

v) Policies containing specified disease coverage shall be at least Guaranteed Renewable.

vi) No policy issued pursuant to this Section shall contain a waiting or probationary period greater than thirty (30) days.

vii) Payment may be conditioned upon a covered person receiving medically necessary care or treatment.

viii) Except for the uniform policy provision regarding other insurance with this insurer, benefits for specified disease coverage shall be paid regardless of other coverage available through individual health insurance.

ix) After the effective date of the coverage (or applicable waiting period, if any) benefits shall

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begin with the first day of medical care or hospital confinement if such care or confinement is for a covered disease even though the diagnosis is made at some later date.

x) Skin cancer benefits within a cancer policy shall not be limited as it is a risk purported to be assumed.

B) The following minimum benefit standards apply to noncancer coverages: A policy which provides coverage for each person insured under the policy for a specifically named disease (or disease(s)) with a deductible amount not in excess of ($250.00) and an overall aggregate benefit limit, per person, of not less than ($10,000) and a benefit period of not less than two (2) years for at least the following incurred expenses:

i) Hospital room and board and any other hospital furnished medical services or supplies;
ii) Treatment by a legally qualified physician or surgeon;
iii) Private duty services of a registered nurse (R.N.);
iv) X-ray, radium, cobalt, nuclear medicine, and other therapeutic procedures used in diagnosis and treatment;
v) Professional ambulance for local service to or from a local hospital;
vi) Blood transfusions, including expense incurred for blood donors;
vii) Drugs and medicines prescribed by a physician;
viii) The rental of an iron lung or similar mechanical apparatus;
ix) Braces, crutches and wheel chairs as are deemed necessary by the attending physician;
x) Emergency transportation if in the opinion of the attending physician it is necessary to transport the insured to another locality for treatment of the disease; and
xi) May include coverage of any other expenses necessarily incurred for treatment of the disease.

C) A policy which provides coverage for each person insured under the policy for cancer-only coverage or in combination with one or more other specified diseases on an expense incurred basis for services, supplies, care and treatment that are prescribed by a physician as necessary for the treatment of cancer, in amounts not in excess of the usual and customary charges, with a deductible amount not in excess of ($250.00) and an overall aggregate benefit limit, per person, of not less than ($10,000) and a benefit period of not less than two (2) years for at least the following:

i) Treatment by, or under the direction of, a legally qualified physician or surgeon;

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ii) X-ray, radium, cobalt, chemotherapy, nuclear medicine, and other therapeutic procedures used in diagnosis and treatment;
iii) Hospital room and board and any other hospital furnished medical services or supplies;
iv) Blood transfusions and the administration thereof, including expense incurred for blood donors;
v) Drugs and medicines prescribed by a physician;
vi) Professional ambulance for local service to or from a local hospital;
vii) Private duty services of a registered nurse (R.N.) provided in a hospital; and
viii) May include coverage of any other expenses necessarily incurred in the treatment of the disease; however, items (i), (ii), (iv), (v) and (vi) plus at least the following shall be included, but may be subject to copayment not to exceed (20%) of covered charges when rendered on an out-patient basis;
ix) Braces, crutches and wheel chairs as are deemed necessary by the attending physician for the treatment of the disease;
x) Emergency transportation if in the opinion of the attending physician it is necessary to transport the insured to another locality for treatment of the disease; and
xi) Home Health Care, that is necessary care and treatment provided at the covered person's residence by a home health care agency or by others under arrangements made with a home health care agency. The program of treatment must be prescribed in writing by the covered person's attending physician, who must approve the program prior to its start. The physician must certify that hospital confinement would be otherwise required;
xii) Physical, speech, hearing and occupational therapy;
xiii) Special equipment including hospital bed, toilette, pulleys, aspirator, incontinence pants, oxygen, surgical dressings, rubber shields, colostomy and ileostomy ~~eleostomy~~ appliances;
xiv) Reconstructive surgery when deemed necessary by the attending physician;
xv) Prosthetic devices; and
xvi) Nursing home care for non-custodial services.

D) The following minimum benefit standards apply to specified disease coverages written on a per diem indemnity basis. Such coverages shall ~~must~~ offer covered persons:

i) A fixed sum payment equal to one-half of the hospital confinement for at least 365 days.

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ii) A fixed sum payment equal to one-half of the hospital in-patient benefit for each day of hospital or non-hospital out-patient surgery, chemotherapy and radiation therapy for at least 365 days of treatment.

iii) Benefits tied to confinement in a skilled nursing home or to receipt of home health care are optional; if a policy offers these benefits, they must equal the following:
A fixed sum payment equal to one-fourth the hospital in-patient benefit for each day of skilled nursing home confinement for at least 100 days. (approximately $25.00 per day or $2,500 minimum benefit.) A fixed sum payment equal to one-fourth the hospital in-patient benefit for each day of home health care for at least 100 days ($2,500). Notwithstanding any other provision of this regulation, any restriction or limitation applied to the benefits in the above requirements, whether by definition or otherwise, shall be no more restrictive than those under Medicare.

E) "Specified Accident Coverage" is an accident insurance policy which provides coverage for a specifically identified kind of accident (or accidents) for each person insured under the policy for accidental death or dismemberment combined, with a benefit amount not less than $1,000 for double dismemberment and $500.00 for single dismemberment.

9) Limited Benefit Health Insurance Coverage
"Limited Benefit Health Insurance Coverage" is any policy or policies other than a policy or contract covering only a specified disease or diseases which provide benefits that are less than the minimum standards for benefits required under Section 2007.50(b)(2)- through (7) of this Part. Such policies or contracts may be delivered or issued for delivery in this State only if the outline of coverage required by Section 2007.80(k) of this Part is completed and delivered as required by Section 2007.80(b) of this Part.

10) Non-Conventional Coverage: Nothing contained in this subsection (b) ~~Section~~ shall prohibit the issuance of a policy that does not fall within subsection ~~paragraphs~~ (b)(1) through (9) above if such policy is experimental in nature and is appropriately and prominently described in the outline of coverage required by Section 2007.80(1) of this Part.

11) The requirements of this Section do not apply to policies issued in compliance with Section 363 of the Illinois Insurance Code ~~Section 363~~ [215 ILCS 5/363] ~~(Ill. Rev. Stat. 1985, ch. 73, par. 975)~~.

(Source: Amended at 19 Ill. Reg. _____, effective

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Section 2007.80 Required Disclosure Provisions

a) General Rules

1) Each individual policy of accident and health insurance shall include a renewal, continuation, or nonrenewal provision. The language or specifications of such provision must be consistent with the type of policy to be issued. Such provision shall be appropriately captioned, shall appear on the first page of the policy, and shall clearly state the duration, where limited, of renewability and the duration of the term of coverage for which the policy is issued and for which it may be renewed.

2) Except for riders or endorsements by which the insurer effectuates a request made in writing by the policyholder or exercises a specifically reserved right under the policy, all riders or endorsements added to a policy after date of issue or at reinstatement or renewal which reduce or eliminate benefits or coverage in the policy shall require signed acceptance by the policyholder. After date of policy issue, any rider or endorsement which increases benefits or coverage with a concomitant increase in premium during the policy term must be agreed to by the insured, except if the increased benefits or coverage is required by law.

3) Where a separate additional premium is charged for benefits provided in connection with riders or endorsements, such premium charge shall be set forth in the policy.

4) A policy which provides for the payment of benefits based on standards described as "usual and customary," "reasonable and customary," or words of similar import shall include a definition of such terms and an explanation of such terms in its accompanying outline of coverage.

5) If a policy contains any limitations with respect to preexisting conditions, such limitations must appear as a separate paragraph of the policy and be labeled as "Preexisting Condition Limitations."

6) All accident only policies shall contain a prominent statement on the first page of the policy or attached thereto in either contrasting color or in boldface type at least equal to the size of type used for policy captions, a prominent statement as follows:

"This is an accident only policy and it does not pay benefits for loss from sickness."

7) All policies, except single premium nonrenewal policies, shall have a notice prominently printed on the first page of the policy or attached thereto stating in substance, that the policyholder shall have the right to return the policy within ten (10) days of its delivery and to have the premium refunded if after

examination of the policy the policyholder is not satisfied for any reason.

8) If age is to be used as a determining factor for reducing the maximum aggregate benefits made available in the policy as originally issued, such fact must be prominently set forth in the outline of coverage.

9) If a policy contains a conversion privilege, it shall comply, in substance, with the following: the caption of the provision shall be "Conversion Privilege," or words of similar import. The provision shall indicate the persons eligible for conversion, the circumstances applicable to the conversion privilege, including any limitations on the conversion, and the person by whom the conversion privilege may be exercised. The provision shall specify the benefits to be provided on conversion or may state that the converted coverage will be as provided on a policy form then being used by the insurer for that purpose.

10) All specified disease policies shall contain a prominent statement on the first page of the policy in contrasting color and in bold face type at least equal to the size of type used for policy captions, a prominent statement as follows: "This is a limited policy. Read it carefully."

b) Outline of Coverage Requirements for Individual Coverages

1) No individual accident and health insurance policy shall be delivered or issued for delivery in this State unless an appropriate outline of coverage as prescribed in paragraphs (c) through -(l) below is completed as to such policy and is delivered in accordance with Section 355a(5)(a) of the Illinois Insurance Code [215 ILCS 5/355a(5)(a)] as enacted or thereafter amended.

2) In the event that a policy is issued on a basis other than that applied for, an outline of coverage properly describing the policy must accompany the policy when it is delivered and, if an outline of coverage was delivered earlier, contain the following statement, in not less than twelve (12) point type, immediately above the company name:

NOTICE

Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon application and the coverage originally applied for has not been issued.

3) In those cases where a policy designed to supplement existing coverage is approved, the outline of coverage shall prominently state that coverage is designed to supplement other health insurance policies owned by the insured.

4) The appropriate outline of coverage for policies providing hospital coverage which only meets the standards of Section 2007.70(b)(2) of this Part shall be that statement contained in subsection (c) of this section. The appropriate outline of coverage for policies providing coverage which meets the standards of both Section 2007.70(b)(2) and (3) of this Part shall be the statement contained in paragraph (e) of this Section. The appropriate outline of coverage for policies providing coverage which meets the standards of Section 2007.70(b)(2) and (5) or Section 2007.70(b)(3) and (5) or Section 2007.70(b)(2), (3), and (5) of this Part shall be the statement contained in paragraph (g) of this Section.

c) Basic Hospital Expense Coverage (Outline of Coverage)

An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(2) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)

BASIC HOSPITAL EXPENSE COVERAGE

OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Basic Hospital Expense Coverage -- Policies of this category are designed to provide to persons insured coverage for hospital expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, and hospital outpatient services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for physicians or surgeons fees or unlimited hospital expenses.

3) (A brief specific description of the benefits, including dollar amounts and number of days duration where applicable, contained in this policy in the following order:

A) daily hospital room and board;
B) miscellaneous hospital services;
C) hospital out-patient services; and
D) other benefits, if any.)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to charge premiums.)

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d) Basic Medical-Surgical Expense Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(3) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
BASIC MEDICAL-SURGICAL EXPENSE COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control your policy. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
2) Basic Medical-Surgical Expense Coverage -- Policies of this category are designed to provide to persons insured coverage for medical-surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for surgical services, anesthesia services, and in-hospital medical services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for hospital expenses or unlimited medical surgical expenses.
3) (A brief specific description of the benefits, including dollar amounts and number of days duration where applicable, contained in this policy, in the following order:
A) surgical services;
B) anesthesia services;
C) in-hospital medical services; and
D) other benefits, if any.)
(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)
4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)
5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

e) Basic Hospital and Medical Surgical Expense Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(2) and (3) of this Part. The items included in the outline of coverage must appear in the sequence prescribed.

(COMPANY NAME)
BASIC HOSPITAL AND MEDIAL SURGICAL EXPENSE COVERAGE

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OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
2) Basic Hospital and Medical Surgical Expense Coverage -- Policies of this category are designed to provide, to persons insured, coverage for hospital and medical-surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, hospital out-patient services, surgical services, anesthesia services, and in-hospital medical services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for unlimited hospital or medical-surgical expenses.
3) (A brief specific description of the benefits, including dollar amounts and number of days duration where applicable, contained in this policy, in the following order:
A) daily hospital room and board;
B) miscellaneous hospital services;
C) hospital out-patient services;
D) surgical services;
E) anesthesia services;
F) in-hospital medical services; and
G) other benefits, if any.)
(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)
4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)
5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

f) Hospital Confinement Indemnity Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(4) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
HOSPITAL CONFINEMENT INDEMNITY COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy.

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This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Hospital Confinement Indemnity Coverage -- Policies of this category are designed to provide to persons insured, coverage in the form of a fixed daily benefit during periods of hospitalization resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Such policies do not provide any benefits other than the fixed daily indemnity for hospital confinement and any additional benefit described below.

3) (A brief specific description of the benefits contained in this policy, in the following order:
   A) daily benefit payable during hospital confinement; and
   B) duration of benefit described in (A).)
   (AGENCY NOTE: The above description of benefits shall be stated clearly and concisely.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

6) (Any benefits provided in addition to the daily hospital benefit.)

g) Major Medical Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(5) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
MAJOR MEDICAL EXPENSE COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Major Medical Expense Coverage -- Policies of this category are designed to provide, to persons insured, coverage for major hospital, medical, and surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, surgical services anesthesia services, in-hospital medical

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services, and out of hospital care, subject to any deductibles, co-payment provisions, or other limitations which may be set forth in the policy. Basic hospital or basic medical insurance coverage is not provided.

3) (A brief specific description of the benefits, including dollar amounts, contained in this policy, in the following order:
   A) daily hospital room and board;
   B) miscellaneous hospital services;
   C) surgical services;
   D) anesthesia services;
   E) in-hospital medical services;
   F) out of hospital care;
   G) maximum dollar amount for covered charges; and
   H) other benefits, if any.)
   (AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)

4) (A description of policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

h) Disability Income Protection Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(6) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
DISABILITY INCOME PROTECTION COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Disability Income Protection Coverage -- Policies of this category are designed to provide, to persons insured, coverage for disabilities resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.

3) (A brief specific description of the benefits contained in this policy:)
   (AGENCY NOTE: The above description of benefits shall be

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stated clearly and concisely.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

i) Accident Only Coverage (Outline of Coverage)
An outline of coverage in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70 (b)(7) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY)
ACCIDENT ONLY COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Accident Only Coverage -- Policies of this category are designed to provide, to persons insured, coverage for certain losses resulting from a covered accident ONLY, subject to any limitations contained in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.

3) (A brief specific description of the benefits contained in this policy:)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described. Proper disclosure of benefits which vary according to accidental cause shall be made in accordance with Section 2007.70(e) of this Part.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

j) Specified Disease or Specified Accident Coverage (Outline of Coverage)
An outline of coverage in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(8) of this Part. The coverage shall be identified by the appropriate bracketed title. The items included in the outline of coverage must appear in the sequence prescribed:

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(COMPANY NAME)
(SPECIFIED DISEASE) (SPECIFIED ACCIDENT) COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) (Specified Disease) (Specified Accident) Coverage -- Policies of this category are designed to provide, to persons insured, restricted coverage paying benefits ONLY when certain losses occur as a result of (specified diseases) or (specified accidents). Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.

3) (A brief specific description of the benefits, including dollar amounts, contained in this policy:)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provisions applicable to the benefits described. Proper disclosure of benefits which vary according to accidental cause shall be made in accordance with subsection (b)(1)(L) of Section 2007.70 of this Part.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restriction or any reservation of right to change premiums.)

k) Limited Benefit Health Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies which do not meet the minimum standards of Sections 2007.70(b)(2-7) of this Part. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
LIMITED BENEFIT HEALTH COVERAGE
OUTLINE OF COVERAGE

1) Read Your Policy Carefully -- This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

2) Limited Benefit Health Coverage -- Policies of this category are

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designed to provide, to persons insured, limited or supplemental coverage.

3) (A brief specific description of the benefits, including dollar amounts, contained in this policy:)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provisions applicable to the benefits described. Proper disclosure of benefits which vary according to accidental cause shall be made in accordance with Section 2007.70(b)(1)(l) of this Part.)

4) (A description of any policy provisions which exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (3) above.)

5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

l) Non-Conventional Coverage (Outline of Coverage)

The outline of coverage shall include the following information:

1) The name and principal address of the insurer.

2) An appropriate statement of identification of the type of coverage provided by the policy.

3) A description of each of the principal benefits and coverages, including the benefit amounts, duration or limits, elimination periods, inner limits and any other items appropriate to the coverage provided.

4) A description of the terms and conditions of renewability of the policy, including any limitations by age, time or event, rights to change premium, status requirements and any other matters appropriate to the terms and conditions of renewability (including any rights of cancellation reserved to the insurer).

5) A description of the principal exceptions, reductions and limitations contained in the policy, including the preexisting conditions, if any, and the circumstances under which any reduction provisions become operative.

6) A statement that the Outline of Coverage is only a brief summary of the policy and is not the contract of insurance. The policy itself sets forth the rights and obligations of the insured and insurer.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 2007.90 Requirements for Replacement

a) Application forms shall include a question designed to elicit information as to whether the insurance to be issued is intended to replace any other accident and health insurance presently in force. A

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supplementary application or other form to be signed by the applicant containing such a question may be used.

b) Upon determining that a sale will involve replacement, an insurer, other than a direct response insurer, or its agent shall furnish the applicant, prior to issuance or delivery of the policy, the notice described in subsection (d) below. One (1) copy of such notice shall be retained by the applicant and an additional copy signed by the applicant shall be retained by the insurer. A direct response insurer shall deliver to the applicant upon issuance of the policy, the notice described in subsection (e) below.

c) In no event, however, will such a notice be required in the solicitation of the following types of policies: accident only and single premium nonrenewable policies.

d) The notice required by subsection (b) above for an insurer, other than a direct response insurer, shall provide, in substantially the following form:

NOTICE TO APPLICANT REGARDING REPLACEMENT
OF ACCIDENT AND HEALTH INSURANCE

According to (your application) (information you have furnished), you intend to lapse or otherwise terminate existing accident and health insurance and replace it with a policy to be issued by (Company Name) Insurance Company. For your own information and protection, you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

1) Health conditions which you may presently have, (preexisting conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.

2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.

3) If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical/health history. Failure to include all material medical information on an application may provide a basis for the Company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed and before you sign it, re-read it carefully to be certain that all information has been properly recorded.

The above "Notice to Applicant" was delivered to me on:

_____
Date

_____

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Applicant's Signature

e) The notice required by subsection (b) above for a direct response insurer shall be as follows:
According to (your application) (information you have furnished) you intend to lapse or otherwise terminate existing accident and health insurance and replace it with the policy delivered herewith issued by (Company Name) Insurance Company. Your new policy provides 10 days within which you may decide without cost whether you desire to keep the policy. For your own information and protection you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.
1) Health conditions which you may presently have, (preexisting conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.
2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.
3) (To be included only if the application is attached to the policy.) If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, read the copy of the application attached to your new policy and be sure that all questions are answered fully and correctly. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to (Company Name and Address) within 10 days if any information is not correct and complete, or if any past medical history has been left out of the application.

_____
Company Name

(Source: Amended at 19 Ill. Reg. _____, effective _____)

DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Medicaid Community Mental Health Services Program

2) Code Citation: 59 Ill. Adm. Code 132

3)

Section Numbers:	Proposed Action:
132.10	Amended
132.20	Amended
132.25	Amended
132.30	Amended
132.35	Amended
132.40	Amended
132.50	Amended
132.60	Amended
132.65	Amended
132.70	Amended
132.80	Amended
132.85	Amended
132.95	Amended
132.100	Amended
132.105	Amended
132.110	Repealed
132.115	Amended
132.120	Amended
132.125	Amended
132.130	Amended
132.135	Amended
132.140	Amended
132.145	Amended
132.150	Amended
132.155	Amended
132.165	Amended
132.170	Amended
132.Appendix A	Amended
132.Appendix B	Amended
132.Table A	Amended
132.Table B	Amended
132.Table C	Amended

4) Statutory Authority: Implementing and authorized by the Community Services Act [405 ILCS 30] and Section 15.3 of the Department of Mental Health and Developmental Disabilities Act [20 ILCS 1705/15.3].

5) A Complete Description of the Subjects and Issues Involved: These amendments allow the Department of Mental Health and Developmental Disabilities (the Department), the Department of Children and Family Services and the Department of Corrections to expand the types and availability of medically necessary mental health services and increase the number of providers participating in a voluntary program. Specifically,

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these amendments:

Add the Department of Corrections as a contract agency to administer mental health services;

Add four new services which will be included under the mental health services Section (services administered by the Department and the Department of Children and Family Services);

Add two new services which will be included under the family intervention, stabilization and reunification services Section (services administered by the Departments of Children and Family Services and Corrections);

Add four new direct service classifications to the pool of qualified direct service providers; and

Expand eligibility for services to children and adolescents with V code diagnosis.

6) Will these proposed amendments replace an emergency rule currently in effect? Yes, this rulemaking will replace emergency rulemaking which is identical to this rulemaking and which is published in this issue of the Illinois Register.

7) Does this rulemaking contain an automatic repeal date? No.

8) Does this proposed rule contain incorporation by reference? This rulemaking incorporates by reference State and federal statutes and regulations. It also incorporates by reference the standards of nationally recognized associations.

9) Are there any other proposed amendments pending on this Part? No.

10) Statement of Statewide Policy Objectives: This rulemaking does not impact the State Mandates Act [30 ILCS 805].

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Any interested person may submit comments, data, views or argument regarding this proposed rulemaking before the expiration of the first 45-day notice period. Submissions must be in writing and directed to: Judith Hollenberg, Rules Administrator, Illinois Department of Mental Health and Developmental Disabilities, 403 Stratton Building, Springfield, IL 62765, telephone (217)785-3313; (217)524-0835 FAX.

12) Initial Regulatory Flexibility Analysis:

DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES

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A) Types of small business affected:
Community mental health agencies, child welfare agencies, child care institutions and child group homes which provide mental health clinic services.

B) Reporting, bookkeeping or other procedures required for compliance:
Compliance with required clinical documentation, billing and accounting audits, e.g., development of and maintenance of client records which relate to the quality of services provided by the provider, documentation of services for which payment is claimed, modified accrual accounting principles, in accordance with generally accepted accounting principles, and annual audits performed in accordance with generally accepted auditing standards by an independent certified public accountant.

C) Types of professional skills necessary for compliance:
Licensed physicians, licensed clinical psychologists, licensed clinical social workers (LCSW), qualified mental health professionals (QMHP), mental health professionals (MHP), and rehabilitative services associates (RSA) providing mental health services to a client and his or her family.

13) State reason(s) for this rulemaking if it was not included in either of the two (2) most recent regulatory agendas: It was included in the January 1995 regulatory agenda.

The full text of the Proposed Amendments is the same as the Emergency Amendments which appear on page 9203 of this issue of the Illinois Register.

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1) Heading of the Part: Optometric Practice Act of 1987

2) Code Citation: 68 Ill. Adm. Code 1320

3) Section Number: Proposed Action:

1320.50	Amendment
1320.80	Amendment

4) Statutory Authority: The Optometric Practice Act of 1987 [225 ILCS 80].

5) A Complete Description of the Subjects and Issues Involved:

This rulemaking updates the endorsement and continuing education (CE) Sections. Since the Department no longer administers a comprehensive practical examination for optometrists, the endorsement Section was rewritten to require licensure applicants from other jurisdictions to submit proof of successful completion of the National Board of Examiners in Optometry (NBEO) examination.

In the CE Section, language was added to accept out of state continuing education courses approved by the Council on Optometric Practitioner Education (C.O.P.E.). Also added is language establishing that any licensed optometrist who submits a request for a waiver of CE requirements shall be deemed to be in good standing until the Department's final decision on the application has been made.

6) Will these Proposed Amendments replace an emergency Rule currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these Proposed Amendments contain incorporations by reference? No

9) Are there any other Proposed Amendments pending on this Part? No

10) Statement of Statewide Policy Objectives (if applicable):

This rulemaking has no impact on local government.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Interested persons may submit written comments to:

Department of Professional Regulation
Attention: Jean A. Courtney

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320 West Washington, 3rd Floor
Springfield, IL 62786
217/785-0800 Fax #: 217/782-7645

All written comments received within 45 days of this issue of the *Illinois Register* will be considered.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: Optometrists.

B) Reporting, bookkeeping or other procedures required for compliance: Optometrists seeking licensure in Illinois by endorsement will be required to submit proof that they have passed the National Board of Examiners in Optometry examination. If a licensee attends an out of state C.O.P.E. approved course, he/she will not be required to submit an out of state CE approval form or pay the $10 processing fee required of others seeking credit in Illinois for CE hours earned in other states.

C) Types of professional skills necessary for compliance: Skills in optometry are necessary for licensure.

13) Regulatory Agenda on which this rulemaking was summarized:

January 1995.

The full text of the Proposed Amendment(s) begins on the next page:

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER VII: DEPARTMENT OF PROFESSIONAL REGULATION
SUBCHAPTER b: PROFESSIONS AND OCCUPATIONS

PART 1320
OPTOMETRIC PRACTICE ACT OF 1987

SUBPART A: OPTOMETRY

SUBPART B: TOPICAL OCULAR PHARMACEUTICALS

SUBPART C: GENERAL

AUTHORITY: Implementing the Illinois Optometric Practice Act of 1987 [225 ILCS 80] authorized by Section 60(7) of the Civil Administrative Code of Illinois [20 ILCS 2105/60(7)].

SOURCE: Adopted at 5 Ill. Reg. 5869, effective June 1, 1981; codified at 5

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Ill. Reg. 11046; emergency amendment at 6 Ill. Reg. 916, effective January 6, 1982, for a maximum of 150 days; emergency amendment at 6 Ill. Reg. 2273, effective January 29, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 7448, effective June 15, 1982; amended at 6 Ill. Reg. 10032, effective August 1, 1982; amended at 9 Ill. Reg. 1092, effective January 11, 1985; amended at 10 Ill. Reg. 7340, effective April 16, 1986; transferred from Chapter I, 68 Ill. Adm. Code 320 (Department of Registration and Education) to Chapter VII, 68 Ill. Adm. Code 1320 (Department of Professional Regulation) pursuant to P.A. 85-225, effective January 1, 1988, at 12 Ill. Reg. 1821; emergency amendment at 12 Ill. Reg. 1925, effective January 1, 1988, for a maximum of 150 days; emergency expired May 30, 1988; amended at 12 Ill. Reg. 11447, effective June 27, 1988; amended at 13 Ill. Reg. 6994, effective April 25, 1989; amended at 14 Ill. Reg. 14128, effective August 15, 1990; amended at 17 Ill. Reg. 18096, effective October 4, 1993; amended at 17 Ill. Reg. 21501, effective December 1, 1993; amended at 19 Ill. Reg. _____, effective _____.

SUBPART A: OPTOMETRY

Section 1320.50 Endorsement

a) An applicant who is licensed under the laws of another United States jurisdiction shall file an application with the Department together with:
   1) Certification of graduation from an approved optometry college;
   2) Certification ~~A certification~~ of licensure from all United States jurisdictions in which the applicant has ever been licensed, stating:
      A) The time during which the applicant was licensed in that jurisdiction, including the date of the original issuance of the license;
      B) A description of the licensure examination in that jurisdiction;
      C) Whether the file on the applicant contains any record of any disciplinary actions taken or pending;
   3) A copy of the acts and rules in effect at the time of original licensure;
   4) Proof of successful completion of Part I and Part II of the National Board of Examiners in Optometry (NBEO) examination;
   5)~~4~~ Successful completion of Part III of the examination administered by NBEO or a comprehensive practical examination administered in another jurisdiction equivalent to the comprehensive practical examination administered by the Department prior to July 1991;
   6)~~5~~ A complete work history since graduation from an optometry program; and
   7)~~6~~ The required fee as set forth in Section 1320.300.
b) The Department shall examine each endorsement application to determine whether the requirements in the United States jurisdiction at the date

of licensure were substantially equivalent to the requirements then in force in this State. If an applicant has taken a licensure examination other than Part I and Part II of the National Board prior to 1970, the examination will be reviewed by the Committee to determine the substantially equivalent requirements. The Department shall within a reasonable time either issue a license by endorsement to the applicant or notify him/her of the reasons for the denial of the application.

c) The Department may, in individual cases, upon recommendation of the Committee, in accordance with Section 11 of the Act, waive the comprehensive practical examination for an applicant for endorsement, after full consideration of his/her optometric education, training and experience, including, but not limited to, whether he/she has achieved special honors or awards, has had articles published in professional journals, has participated in writing textbooks relating to optometry, and any other attribute which the Committee accepts as evidence that such applicant has outstanding and proven ability in optometry.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

Section 1320.80 Continuing Education

a) Continuing Education Hour Requirements
   1) Every renewal applicant shall complete 24 hours of Continuing Education (CE) relevant to the practice of optometry required during each prerenewal period. A prerenewal period is the 24 months preceding March 31 in the year of the renewal.
   2) A CE hour equals 60 minutes. After completion of the initial CE hour, credit may be given in one-half hour increments.
   3) A renewal applicant is not required to comply with CE requirements for the first renewal following the original issuance of the license.
   4) Optometrists licensed in Illinois but residing and practicing in other states must comply with the CE requirements set forth in this Section.

b) Approved Continuing Education
   1) All continuing education hours must be earned by verified attendance at or participation in a program which is offered by an approved continuing education sponsor who meets the requirements set forth in subsection (c).
   2) For the March 31, 1992, renewal and every renewal thereafter, as part of the 24 hours of required continuing education, each licensee shall complete during each prerenewal period at least 6 hours of credit which is certified by an approved optometry college in accordance with Section 1320.20 of this Part, osteopathic or medical college or university pursuant to the Medical Practice Act of 1987 ~~(Ill. Rev. Stat. 1991, ch. 111, par. 4400-1 through 4400-63)~~ [225 ILCS 60], or a pharmacy college

pursuant to the Pharmacy Practice Act ~~(Ill. Rev. Stat. 1991, ch. 111, par. 4121 through 4159)~~ [225 ILCS 85].

   A) Each certified course shall include at least 2 hours of actual course presentation and shall include the successful completion of a post-course evaluation of the attendee's understanding of the course material. A maximum of one half hour additional credit will be given for the required post course evaluation.
      i) The post-course evaluation may be taken on-site immediately following the course presentation. An examination distributed on-site shall not be removed from the site.
      ii) The post-course evaluation may be a correspondence evaluation mailed to the attendee and returned to the provider. The sponsor shall not distribute a post-course evaluation at the site.
      iii) At the sponsor's discretion, the attendee may be allowed one retake of a failed post-course evaluation in order to receive credit as certified continuing education.
   B) Licensees who attend a certified education course without successful completion of a post-course evaluation may apply actual course hours toward fulfillment of the additional continuing education requirements as set forth in subsections (b)(1) and (b)(3).
   C) Any approved continuing education sponsor may offer, in conjunction with the above-referenced college or university, a certified course.
   D) Transcript quality continuing education courses shall be deemed equivalent to the certified course if they meet the requirements set forth in subsection (b)(2)(A) above.
   E) Continuing education sponsors shall state in their course materials the type of post-course evaluation which will be given and whether the applicant will be allowed to retake the evaluation.
   F) Certified continuing education courses shall be courses in which the attendees are in actual attendance. No self instruction or correspondence courses shall be considered certified continuing education courses.

3) Eighteen (18) hours of CE credit may be earned as follows (not accepted for certified CE):
   A) A maximum of 12 hours per prerenewal period for papers prepared and delivered before recognized optometric organizations, papers published in nationally recognized optometric journals, or a chapter in a book of optometry, each appropriately verified.
   B) A maximum of 12 hours per prerenewal period for verified teaching of students at an optometry school approved by the

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Department, or practicing optometrists in CE programs approved by the Department. One hour of teaching at an optometry school approved by the Department is equal to one hour of continuing education.

C) A maximum of 2 hours per prerenewal period for verified self-instruction by means of individual use of audio-visual materials which is sponsored or cosponsored by any previously approved, optometry college, institution or national, state or local optometry association or organization similar to the foregoing.

D) A maximum of 4 hours per prerenewal period for courses in practice management which includes business management.

E) A maximum of 2 hours of continuing education in cardiopulmonary resuscitation may be earned per prerenewal period.

4) For only one prerenewal period for the duration of an optometry license in Illinois, a licensee may take a 4 hour certified continuing education course in cardiopulmonary resuscitation to satisfy 4 of the 6 hours of certified continuing education required in subsection (b)(2) above.

5) Continuing education credit hours used to satisfy the CE requirements of another state may be submitted for approval for fulfillment of the CE requirements of the State of Illinois.

6) Credit shall not be given for courses taken in Illinois from unapproved sponsors.

c) Continuing Education Sponsors and Programs

1) Sponsor, as used in this Section, shall mean a person, firm, association, corporation, or any other group which has been approved and authorized by the Department upon the recommendation of the committee to coordinate and present continuing education courses or programs.

2) A sponsor shall file a sponsor application, along with the required fee set forth in Section 1320.300(a)(7), which certifies:

A) that all courses and programs offered by the sponsor for CE credit will comply with the criteria in subsection (c) and all other criteria in this Section;

B) that the sponsor will be responsible for verifying attendance at each course or program, and provide a certificate of completion as set forth in subsection (b);

C) that upon request by the Department, the sponsor will submit such evidence as is necessary to establish compliance with this Section. Such evidence shall be required when the Department has reason to believe that there is not full compliance with the statute and this Part and that this information is necessary to ensure compliance; and

D) that each sponsor shall submit to the Department a written notice of a course offering 30 days prior to the course

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date. The notice shall include the description, location, date and time of the course to be offered.

3) Each sponsor shall submit by March 31 of each even numbered year a sponsor application along with the required fee set forth in Section 1320.300(b)(5) of this Part. With the application the sponsor shall be required to submit to the Department a list of all courses and programs offered in the prerenewal period, which includes a description, location, date and time the course was offered.

4) All courses and programs shall:

A) contribute to the advancement, extension and enhancement of professional clinical skills and scientific knowledge in the practice of optometry;

B) provide experiences which contain scientific integrity, relevant subject matter and course materials; and

C) be developed and presented by persons with education and/or experience in subject matter of the program.

5) The tuition fees charged for programs conducted by approved sponsors shall be reasonable and directly related to the sponsor's actual expense in conducting the programs.

6) All programs given by approved sponsors shall be open to all licensed optometrists and not be limited to the members of a single organization or group and shall specify the number of CE hours and categories that may be applied toward Illinois CE requirements for licensure renewal.

7) Certificate of Attendance

A) It shall be the responsibility of the sponsor to provide each participant in a program with a certificate of attendance signed by the sponsor. The sponsor's certificate of attendance shall contain:

i) The name and address of the sponsor;

ii) The name and address of the participant and their optometry license number;

iii) A detailed statement of the subject matter;

iv) The number of hours actually attended in each topic;

v) The date of the program;

vi) Whether the course qualifies for certified continuing education and if the post-course evaluation was passed or failed.

B) The sponsor shall maintain these records for not less than 5 years.

8) The sponsor shall be responsible for assuring verified continued attendance at each program. No renewal applicant shall receive CE credit for time not actually spent attending the program.

9) Upon the failure of a sponsor to comply with any of the foregoing requirements, the Department, after notice to the sponsor and hearing before and recommendation by the Committee (see 68 Ill. Adm. Code 1110), shall thereafter refuse to accept for CE credit

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attendance at or participation in any of that sponsor's CE programs until such time as the Department receives reasonably satisfactory assurances of compliance with this Section.

d) Continuing Education Earned in Other States. If a licensee has earned CE hours in another state or territory for which he/she will be claiming credit toward full compliance in Illinois, the applicant shall submit an out of state CE approval form ~~application~~ along with a $10 processing fee within 90 days of completion of the course. The Committee shall review and recommend approval or disapproval of this program using the criteria set forth in this Section. The Committee has determined that the Council on Optometric Practitioner Education (C.O.P.E.) approved courses are acceptable for out of state continuing education. If a licensee attends an out of state C.O.P.E. approved course, the licensee will not be required to submit the out of state CE approval form and the $10 processing fee.

e) Certification of Compliance with CE Requirements

1) Each renewal applicant shall certify, on the renewal application, full compliance with CE requirements set forth in subsection (a) above.

2) The Department may require additional evidence demonstrating compliance with the CE requirements. It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance.

3) When there appears to be a lack of compliance with CE requirements, an applicant will be notified and may request an interview with the Committee, at which time the Committee may recommend that steps be taken to begin formal disciplinary proceedings as required by Section 10-65 of the Illinois Administrative Procedure Act ~~(Ill. Rev. Stat. 1991, ch. 127, par. 1010.65)~~ [5 ILCS 100/10-65].

f) Waiver of CE Requirements

1) Any renewal applicant seeking renewal of his/her license without having fully complied with these CE requirements shall file with the Department a renewal application, the renewal fee set forth in Section 1320.300, a statement setting forth the facts concerning such non-compliance, and a request for waiver of the CE requirements on the basis of such facts. If the Department, upon the written recommendation of the Committee, finds from such affidavit or any other evidence submitted, that good cause has been shown for granting a waiver, the Department shall waive enforcement of such requirements for the renewal period for which the applicant has applied.

2) Good cause shall be defined as an inability to devote sufficient hours to fulfilling the CE requirements during the applicable prerenewal period because of:

A) Full time service in the armed forces of the United States of America during a substantial part of such period; or

B) Extreme hardship, which shall be determined on an individual basis by the Committee and shall be limited to documentation of:

i) an incapacitating illness documented by a currently licensed physician,

ii) a physical inability to travel to the sites of approved programs, or

iii) any other similar extenuating circumstances.

3) If an interview with the Committee is requested at the time the request for such waiver is filed with the Department, the renewal applicant shall be given at least 20 days written notice of the date, time and place of such interview by certified mail, return receipt requested.

4) Any renewal applicant who submits a request for waiver pursuant to subsection (f)(1) of this Section shall be deemed to be in good standing until the Department's final decision on the application has been made.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

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DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Demonstration Programs

2) Code Citation: 89 Ill. Adm. Code 170

3) Section Numbers: Proposed Action:

170.300 Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, Ch. 23, par. 12-13) [305 ILCS 5/12-13] and P.A. 89-6.

5) Complete Description of the Subjects and Issues Involved: Due to recent legislative changes contained in Public Act 89-6 and the Department's commitment to reduce a family's potential need for long-term dependency, the Department is implementing policy and procedures designed to improve children's attendance in elementary school. The goal is to help students establish consistent patterns of school attendance and prevent future truancy. The School Attendance Initiative links the Department, elementary schools and established community agencies to help remove barriers that prevent children from regularly attending school.

Starting with the 1995-1996 school year, participating elementary schools will identify and work with AFDC children and their families who have demonstrated a problem with absenteeism. School personnel will identify children, in grades one through six, who are not attending school regularly. The school will be responsible for defining irregular school attendance. For example, irregular school attendance may be defined as:

1. a combination of five absences, tardies or early dismissals within a 30 day period,

2. a pattern of absence, tardiness or early dismissal, such as absence every Friday within a 30 day period, or

3. a pattern of all children in the family being absent on the same day.

These proposed amendments establish the provisions for the Department's demonstration to improve children's attendance in elementary school. The demonstration will be available statewide where schools and social service networks are willing to participate. A small percentage of clients will be randomly assigned to serve as a control group for purposes of the waiver of federal requirements. These clients will not be subject to the sanction provisions referred to in Section 170.300(g).

AFDC families whose children do not attend school regularly will be referred for appropriate social services. For families who do not cooperate, the AFDC check will be sent to the social service agency. If

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attendance does not improve after three months, the adult portion of the grant will be sanctioned. The sanction will not be implemented until approval is received on the Department's waiver request. Related amendments are being proposed in 89 Ill. Adm. Code 117.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Persons may comment on this proposed rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to Judy Umunna, Bureau of Rules and Regulations, Illinois Department of Public Aid, 100 South Grand Ave. E., 3rd Floor, Springfield, Illinois 62762 (Phone: (217) 524-3215). The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: None

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

13) State reasons for this rulemaking if it was not included in either of the two most recent regulatory agendas: The reasons for this rulemaking are fully described above in the complete description of the subjects and issues involved. This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the Proposed Amendments begins on the next page:

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NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER g: DEMONSTRATION PROGRAMS

PART 170
DEMONSTRATION PROGRAMS

SUBPART A: THE FRESH START
WELFARE REFORM DEMONSTRATION PROGRAM

Section
170.10 Youth Employment and Training Initiative
170.20 Paternal Involvement Project
170.30 Homeless Families Support Project
170.40 Family Responsibility Project
170.50 Income Budgeting Project

SUBPART B: THE CAREER ADVANCEMENT PROGRAM

Section
170.100 The Career Advancement Program
170.110 Career Advancement Experimental and Control Groups
170.120 Career Advancement Participation Requirements of Experimental Group Members
170.130 Career Advancement Supportive Services for Experimental Group Members

SUBPART C: COMMUNITY GROUP PARTICIPATION PROGRAM

Section
170.200 Community Group Participation Program

SUBPART D: EARNED INCOME INITIATIVE

Sections
170.250 Work Pays Demonstration

SUBPART E: THE SCHOOL ATTENDANCE INITIATIVE ~~FAMILY-DEVELOPMENT-PLAN~~

170.300 School Attendance Initiative ~~Truancy-Prevention-Project~~

AUTHORITY: Implementing and authorized by Sections 4-8, 11-20, 12-13 and 12-4.28 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, par. 4-8, 11-20, 12-13 and 12-4.28) [305 ILCS 5/4-8, 11-20, 12-13 and 12-4.28].

SOURCE: Adopted at 13 Ill. Reg. 14067, effective August 23, 1989; amended at 14 Ill. Reg. 19320, effective November 30, 1990; amended at 17 Ill. Reg. 19197, effective October 25, 1993; emergency amendment at 17 Ill. Reg. 19721, effective November 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3372, effective February 28, 1994; emergency amendment at 19 Ill. Reg. 645, effective January 9, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 7901, effective June 8, 1995; amended at 19 Ill. Reg. _____, effective _____.

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SUBPART E: THE SCHOOL ATTENDANCE INITIATIVE ~~FAMILY-DEVELOPMENT-PLAN~~

Section 170.300 School Attendance Initiative ~~Truancy-Prevention-Project~~

a) The Department is implementing a demonstration to improve children's attendance in elementary school.

b) The demonstration will be available statewide where schools and social service networks are willing to participate. A small percentage of clients will be randomly assigned to serve as a control group for purposes of the waiver of federal requirements. These clients will not be subject to the sanction provisions referred to in subsection (g) of this Section.

c) Participating elementary schools will identify children in grades one thorugh six who receive AFDC and who are not attending school regularly, as defined by the school. If the schools cannot address the families' problems that appear to be resulting in irregular school attendance, they will refer the families to participating social service networks. The family will be notified in writing of the referral and the consequences for non-cooperation with the referral.

d) Upon referral, a social service network representative will assess the specific family situation and will develop a service plan with the family that will include getting the child to regularly attend school.

e) Upon failure of the family to cooperate with the referral, or with the service plan as determined by the social service provider, the family will be placed under a Protetive Payee with the social service network representative acting as the payee for the family's AFDC grant. The provisions of 89 Ill. Adm. Code 117.10 shall otherwise apply.

f) The Protective Payee will remain in effect until the family follows through with the service plan, as determined by the social service provider. The Protective Payee may be discontinued during the months of June, July and August at the option of the service provider.

g) If a protective payee plan referred to in subsection (e) of this Section has been in effect for at least three months and the child continues to regularly miss school, as defined by the school, the grantee's portion of the AFDC grant will be sanctioned. In a two-parent household, if the grantee is participating in the AFDC JOBS program or is sanctioned for another reason, the other adult's portion of the grant will be sanctioned.

h) The sanction will remain in effect until the child has demonstrated satisfactory school attendance, as defined by the school.

i) Sanctions will not be applied during the months of June, July and August.

j) A sanction for non-cooperation with the Child Support Enforcement

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Program will supersede a sanction under this Section.

~~a) The Department is implementing a pilot program designed to improve children's attendance in elementary school.~~

~~b) Participating schools will identify children who are beginning to show attendance problems and who receive AFDC. The schools will contact the families as an initial means to resolve the matter. If the families have problems the schools cannot address, they will be referred to a social service network for appropriate community social service agency or agencies services. The appropriate local public aid office will also be notified of these referrals.~~

~~c) When a family referred under subsection (b) of this Section cooperates with the referral, a social service network representative will develop a service plan with the family, involving service provision by appropriate community social service agencies.~~

~~d) The Department will also inform the family in writing of the importance of participating with the referral and with the service plan for the well being of the child and the consequence of not participating in the service plan.~~

~~e) Upon failure of the family to cooperate with the referral or with the service plan, the family will be placed under a Protective Payee with the community social service agency acting as the payee for the family's AFDC grant. The provisions of 89 Ill. Adm. Code 117.10 shall otherwise apply.~~

~~f) Upon cooperation for at least three consecutive months, the Protective Payee plan will be discontinued.~~

(Source: Amended at 19 Ill. Reg. _____, effective _____)

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NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Medical Payment

2) Code Citation: 89 Ill. Adm. Code 140

3)

Section Numbers:	Proposed Action:
140.80	Amendment
140.82	Amendment
140.84	Amendment
140.440	Amendment
140.443	Amendment
140.444	Amendment
140.445	Amendment
140.446	Amendment
140.447	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, par. 12-13) [305 ILCS 5/12-13]

5) Complete Description of the Subjects and Issues Involved:

Sections 140.80 through 140.84

The Department of Public Aid is proposing changes to the rules pertaining to provider assessments for hospitals, long term care facilities for persons with developmental disabilities, and nursing homes. These changes affect the assessment methodology for hospitals, and continue the provider assessment program beyond June 30, 1995. This proposed rulemaking responds to the Governor's budget initiative, which is intended to enable Illinois to continue to maximize federal financing benefits to hospitals, long term care facilities and nursing homes, and thereby ensure the continuance of necessary care and services. These new provisions in the provider assessment program are required by the enactment of the State's budget by the Legislature and Public Act 89-21.

Proposed changes are also being made to Section 140.80 to comply with Public Act 88-554, which created the University of Illinois Fund. These changes affect hospitals organized under the University of Illinois Hospital Act which are exempt from the provider assessments imposed by Section 140.80. Previously, the interagency agreement between the Department and such hospitals provided for intergovernmental transfer payments to the Department which were deposited into the State's General Revenue Fund. Because of Public Act 88-554, intergovernmental transfer payments from the University of Illinois Hospital are to be deposited into the University of Illinois Fund.

Other proposed changes are being made to Sections 140.80, 140.82 and 140.84 to accommodate calendar changes from one fiscal year to another.

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The provider assessment program described in these Sections was intitially effective for fiscal year 1994, and dates specified in the rules as due dates for the Department's receipt of assessment payments and delayed payment requests from providers, are no longer accurate. Therefore, the rules are being revised to indicate that providers will be notified in writing by the Department of applicable dates for each fiscal year.

In Section 140.84, changes are being made to clarify that only skilled nursing and intermediate care licensed beds in nursing homes are subject to payment responsibility under the provider assessment program. Beds in nursing homes which are specifically designated for sheltered care purposes are not subject to assessments.

Changes are also being proposed to exempt facilities operated by the Department of Mental Health and Developmental Disabilities (DMHDD) from assessment responsibility. These amendments in Section 140.80, correspond to emergency rulemakings, effective March 1, 1995, at 89 Ill. Adm. Code 148 and Section 140.80, enabling Illinois to maximize federal financing benefits to hospitals as permitted by the State's federal disproportionate share (DSH) spending limitations. Facilities operated by DMHDD are eligible to qualify for DSH hospital payment adjustments. Changes are necessary in Section 140.80, to exempt DMHDD facilities from the hospital assessment program. Since the Department assesses hospitals to increase State revenue, taxing another State entity would simply transfer funds from one State entity to another, with no net increase in revenue. DMHDD facilities are now considered to be providers of hospital services which qualify for DSH adjustments, and must be specifically exempted from the hospital assessments imposed under Section 140.80.

In fiscal year 1995, the provider assessment program generated approximately $689.7 million in spending ($355.4 million in assessments and $334.3 million in federal matching funds). These proposed amendments will have a significant budgetary impact upon the Department, because if the assessment program concludes on June 30, 1995, the expected loss of revenue for fiscal year 1996 will be approximately $738.8 million ($380.7 million in assessments and $358.1 million in federal matching funds).

Sections 140.440 through 140.447

These proposed amendments are being filed in conjunction with the State's budget plan for fiscal year 1996, by providing certain cost containment measures in some areas of the Department's pharmacy program. The initiatives contained in these amendments are necessary to control costs associated with pharmacy services covered by the Department, and thereby meet restrictions imposed by the new budget plan.

The Department is changing the method for calculating the maximum reimbursement amount for legend drugs. Reimbursement will continue to be

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provided for the lesser of the pharmacy charge to the general public, or the calculated maximum reimbursement amount. The revisions affecting calculation of the maximum reimbursement amount differ for brand name and generic drugs. For brand name drugs, the Department's calculation of the dispensing fee component of the maximum reimbursement amount is being reduced by 28 cents per prescription item. The calculation of the acquisition cost component for the maximum reimbursement of generic drugs will be the lower of the average wholesale price minus 12 percent, the Federal Upper Limit, or the State Upper Limit.

The Department estimates that the reduction in overall spending for pharmacy services, resulting from these proposed reimbursement changes, will be approximately $2.3 million for fiscal year 1996.

6) Will these proposed amendments replace emergency amendments currently in effect? Yes

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? Yes

Sections	Proposed Action	Illinois Register Citation
140.3	Amendment	June 23, 1995 (19 Ill. Reg. 8066)
140.5	Amendment	June 23, 1995 (19 Ill. Reg. 8066)
140.27	Amendment	May 5, 1995 (19 Ill. Reg. 6268)
140.80	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.80	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.82	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.82	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.84	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.84	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.461	Amendment	June 16, 1995 (19 Ill. Reg. 7806)
140.642	Amendment	April 14, 1995 (19 Ill. Reg. 5397)

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Persons may comment on this proposed rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to Joanne Jones, Bureau of Rules and Regulations, Illinois Department of Public Aid, 100 South Grand Ave. E., 3rd Floor, Springfield, Illinois 62762 (Phone: (217) 524-3215). The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all

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written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

Any interested persons may review these amendments at the Department of Public Aid's local offices located in each county (except Cook County). In Cook County, the amendments may be reviewed at the Office of the Director, Illinois Department of Public Aid, 310 South Michigan Avenue, Suite 1700, Chicago, Illinois. The amendments may be reviewed at all offices Monday through Friday from 8:30 A.M. until 5:00 P.M. These copies of the amendments are being made available for review in accordance with federal requirements at 42 CFR 447.205.

These proposed amendments may have an impact on small businesses, small municipalities, and not for profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as small businesses, small municipalities, or not for profit corporations as part of any written comments they submit to the Department.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: Hospitals, long term care facilities for persons with developmental disabilities, and nursing homes.

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

13) State reasons for this rulemaking if it was not included in either of the two most recent regulatory agendas: The reasons for this rulemaking are fully described above in the complete description of the subjects and issues involved. This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the Proposed Amendments is identical to the text of the Emergency Amendments which appears in this issue of the *Register* on page 9301.

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1) Heading of the Part: Related Program Provisions

2) Code Citation: 89 Ill. Adm. Code 117

3)

Section Number:	Proposed Action:
117.10	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, Ch. 23, par. 12-13)[305 ILCS 5/12-13] and P.A. 89-6.

5) Complete Description of the Subjects and Issues Involved: Due to recent legislative changes contained in Public Act 89-6 and the Department's commitment to reduce a family's potential need for long-term dependency, the Department is implementing policy and procedures designed to improve children's attendance in elementary school. The goal is to help students establish consistent patterns of school attendance and prevent future truancy. The School Attendance Initiative links the Department, elementary schools and established community agencies to help remove barriers that prevent children from regularly attending school. Starting with the 1995-1996 school year, participating elementary schools will identify and work with AFDC children and their families who have demonstrated a problem with absenteeism. School personnel will identify children, in grades one through six, who are not attending school regularly. The school will be responsible for defining irregular school attendance. For example, irregular school attendance may be defined as:

1. a combination of five absences, tardies or early dismissals within a 30 day period,

2. a pattern of absence, tardiness or early dismissal, such as absence every Friday within a 30 day period, or

3. a pattern of all children in the family being absent on the same day.

These proposed amendments establish that the individual receiving assistance will be designated as the payee except when the health and well-being of a child in the assistance unit is at risk, as indicated by lack of regular school attendance, as defined by the school. AFDC families whose children do not attend school regularly will be referred for appropriate social services. For families who do not cooperate, the AFDC check will be sent to the social service agency. If attendance does not improve after three months, the adult portion of the grant will be sanctioned. The sanction will not be implemented until approval is received on the Department's waiver request. This rulemaking also clarifies that the protective payee plan notice informs the client of the right to appeal inclusion in a protective payment plan. Related

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amendments are being proposed in 89 Ill. Adm. Code 170.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? Yes

Sections	Proposed Action	Illinois Register Citation
117.80	Amendment	March 17, 1995 (19 Ill. Reg. 3295)

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Persons may comment on this proposed rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to Judy Umunna, Bureau of Rules and Regulations, Illinois Department of Public Aid, 100 South Grand Ave. E., 3rd Floor, Springfield, Illinois 62762 (Phone: (217) 524-3215). The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: None

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

13) State reasons for this rulemaking if it was not included in either of the two most recent regulatory agendas: The reasons for this rulemaking are fully described above in the complete description of the subjects and issues involved. This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 117
RELATED PROGRAM PROVISIONS

Section
117.1 Incorporation By Reference
117.10 Payee For Financial Assistance
117.15 Reinstatement Upon Agreement to Cooperate
117.20 Replacement of Missing Warrants
117.30 Withholding of Rent (Repealed)
117.40 Recovery of Interim Assistance - Aid to the Aged, Blind or Disabled and General Assistance
117.50 Funerals and Burials
117.51 Funeral Home Services
117.52 Burial Expenses
117.53 Payment to Vendor(s)
117.54 Claims for Reimbursement
117.55 Submittal of Claims
117.60 Substitute Parental Care/Supplemental Child Care - AFDC, AABD and GA Family Cases
117.70 Charge for Replacement of Photo ID Cards (Repealed)
117.80 Direct Deposit of Recipients' Warrants
117.90 State Income Tax Match

AUTHORITY: Implementing Articles III, IV and VI and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV and VI, and 12-13].

SOURCE: Filed and effective December 30, 1977; amended at 2 Ill. Reg. 31, p. 68, effective August 3, 1978; amended at 3 Ill. Reg. 38, p. 258, effective September 20, 1979; amended at 3 Ill. Reg. 41, p. 167, effective October 1, 1979; codified at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 16111, effective November 22, 1983; amended at 9 Ill. Reg. 3726, effective March 13, 1985; amended at 9 Ill. Reg. 4526, effective March 20, 1985; amended at 9 Ill. Reg. 8733, effective May 29, 1985; amended at 9 Ill. Reg. 10779, effective July 5, 1985; amended at 9 Ill. Reg. 16914, effective October 16, 1985; amended at 11 Ill. Reg. 4759, effective March 13, 1987; amended at 12 Ill. Reg. 2985, effective January 13, 1988; amended at 12 Ill. Reg. 13608, effective August 15, 1988; amended at 12 Ill. Reg. 14296, effective August 30, 1988; amended at 13 Ill. Reg. 3936, effective March 10, 1989; amended at 14 Ill. Reg. 780, effective January 1, 1990; amended at 14 Ill. Reg. 9488, effective June 1, 1990; amended at 15 Ill. Reg. 13533, effective August 1, 1991; amended at 16 Ill. Reg. 16644, effective October 23, 1992; emergency amendment at 17 Ill. Reg. 2368, effective February 8, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 8191, effective May 24, 1993; amended at 18 Ill. Reg. 3746, effective

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February 28, 1994; amended at 18 Ill. Reg. 7403, effective April 29, 1994; amended at 19 Ill. Reg. _____, effective _____.

Section 117.10 Payee For Financial Assistance

a) The assistance grant shall be paid to an individual designated as the payee.
b) The individual receiving assistance shall be designated as the payee with the following exceptions:
   1) When a client has a judicially appointed conservator or guardian, payment shall be made to the conservator or guardian unless other arrangements are made with the Department by the conservator or guardian.
   2) In a situation where no specified relative is available to act as payee, another person may act as Temporary Grantee for a period not to exceed 90 days.
   3) A protective payment plan (PPP) is initiated by the Department when a client has demonstrated mismanagement of funds to the detriment of the welfare of the client or family. Examples include but are not limited to:
      A) A client defaults on an agreement made with a utility company and the Department in the client's behalf. In this instance, when the protective payee receives the assistance payment, payment on current and back utility charges only shall be paid by the payee; the balance of the payment shall be forwarded to the client each month.
      B) For AFDC only - When a child in the assistance unit is determined to be neglected by the Department of Children and Family Services under Section 3 of the Abused and Neglected Child Reporting Act (Ill. Rev. Stat. 1991, ch. 23, par. 2053) [325 ILCS 5/3] and 89 Ill. Adm. Code 300.Appendix B.
      C) For AFDC only - The case involves a record establishing that a parent or relative has been found guilty of public assistance fraud under Article VIII A of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, pars. 8A-1 et seq) [305 ILCS 5/Art. VIII ~~8A~~].
      D) Nonpayment of rent for two months shall be considered as evidence of grant management.
      E) Substance abuse by the caretaker relative is identified and another family member or friend is ensuring that the family's needs are being met.
      F) For AFDC only - the health and well-being of a child in the assistance unit is at risk, as indicated by lack of regular school attendance, as defined by the school.
c) Notice shall be sent to the client before a protective payment plan is initiated. The notice shall inform the client of the right to appeal inclusion in a protective payment plan. (See 89 Ill. Adm. Code 104.)

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d) The protective payee shall not receive compensation and must agree to assume responsibility for the expenditure of the assistance payment in behalf of the client.
e) The client's landlord or a vendor of goods or services to the client shall not be designated a protective payee.
f) The Department may designate private welfare or social service agencies to serve as protective payees.
g) When no other suitable payee is available, the Department may appoint a member of its staff to act as protective payee. However, the staff acting as protective payee may not be:
   1) a person determining the client's eligibility or level of assistance;
   2) a person handling fiscal processing relating to the recipient;
   3) investigative staff; or
   4) a local office administrator.
h) The need for continuation of a protective payment plan and the performance of the protective payee shall be reviewed and evaluated by the Department as often as circumstances indicate, or, for AFDC cases at least every 12 months.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Daily Double

2) Code Citation: 11 Ill. Adm. Code 303

3) Section Numbers: Proposed Action:

303.10	New Section
303.20	New Section
303.30	New Section
303.40	New Section
303.50	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes rules for the Daily Double Wager. These rules incorporate the Racing Commissioners International model rules for daily double. Rules regarding pool distributions, dead heats and scratches are included.

6) Will these proposed rules replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: All comments should be submitted in writing, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 W Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

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B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 303
DAILY DOUBLE

Section
303.10 Definition
303.20 Pool Distribution
303.30 Dead Heats
303.40 Scratches
303.50 Cancellations

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 303.10 Definition

The Daily Double requires selection of the first-place finisher in each of two successive, specified contests. All daily double wagers shall be calculated in an entirely separate pool.

Section 303.20 Pool Distribution

The net daily double pool shall be distributed to winning wagers in the following manner, based upon the official order of finish:

a) As a single price pool to those whose selection finisned first in each of the two contests; but if there are no such wagers, then
b) As a profit split to those who selected the first-place finisher in either of the two contests; but if there are no such wagers, then
c) As a single price pool to those who selected the one covered first-place finisher in either contest; but if there are no such wagers, then
d) As a single price pool to whose selection finished second in each of the two contests; but if there are no such wagers, then
e) The entire pool shall be refunded on daily double wagers for those contests.

Section 303.30 Dead Heats

If there is a dead heat for first in either of the two contests involving:

a) contestants representing the same betting interest, the daily double pool shall be distributed as if no dead heat occurred.
b) contestants representing two or more betting interests, the daily double shall be distributed as a profit split if there is more than one covered winning combination.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

Section 303.40 Scratches

a) In the event a betting interest in either half of the daily double is scratched prior to the first double contest being declared official, all money wagered on combinations including the scratched betting interest shall be deducted from the daily double pool and refunded.
b) In the event a betting interest in the second half of the daily double is scratched after the close of wagering, all wagers combining the winner of the first contest with the scratched betting interest shall receive a consolation payoff.

Section 303.50 Cancellations

a) If either of the daily double contests are canceled prior to the first double contest, or the first double contest is declared "no contest", the entire double pool shall be refunded on double wagers for those contests.
b) If the second double contest is canceled or declared "no contest" after the close of wagering on the first double contest, the net double pool shall be distributed as a single price pool to wagers selecting the winner of the first double contest. In the event of a dead heat involving separate betting interests, the net double pool shall be distributed as a profit split.

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NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Daily Double

2) Code Citation: 11 Ill. Adm. Code 406

3)

Section Numbers:	Proposed Action:
406.10	Repeal
406.30	Repeal
406.40	Repeal
406.50	Repeal
406.60	Repeal
406.70	Repeal
406.80	Repeal
406.90	Repeal
406.100	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the current Daily Double rules. New rules establishing Daily Double rules are proposed.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: All comments should be submitted in writing, within 45 days of this notice, to: Gina DiCaro, Racing Board, Legal Dept, 100 W. Randolph, Ste. 11-100, Chicago, Illinois 60601 (312)814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to Dept of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

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NOTICE OF PROPOSED REPEALER

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This repealer was scheduled to be published in a future agenda. Due to substantial changes in the Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 406
DAILY DOUBLE RULES (REPEALED)

Section
406.10 Daily Double
406.20 Entries and Fields Prohibited (Repealed)
406.30 No Winning Combinations
406.40 No Winners on Second Half
406.50 No Winners on First Half
406.60 No Winners on Either Half
406.70 Dead Heats
406.80 Scratches Before the First Half is Run
406.90 Consolation Double
406.100 Probable Pay

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 4 Ill. Reg. 38, p. 187, effective September 8, 1980; codified at 5 Ill. Reg. 10889; amended at 6 Ill. Reg. 10012, effective August 3, 1982; repealed at 19 Ill. Reg. _____, effective _____.

Section 406.10 Daily Double

The daily double wager combines two horses in two successive races, selecting the horses which will finish first in the official order of finish of each of the two races. The first of these races herein is designated as the first half of the daily double and the subsequent race the second half. All daily double wagers will be calculated in an entirely separate pool.

Section 406.30 No Winning Combinations

If no winning combination is sold, the total money is computed as a place pool with those who have picked the winner of the first half and those who have picked the winner of the second half participating in the pool.

Section 406.40 No Winners on Second Half

If no ticket is sold on the winner of the second half, the entire pool is apportioned to holders of the tickets on the winner of the first half.

Section 406.50 No Winners on First Half

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If no ticket is sold on the winner of the first half, the entire pool is apportioned to the holders of tickets on the winner of the second half participating in the pool.

Section 406.60 No Winners on Either Half

If no tickets are sold containing the numbers of either winner, the pool shall be allotted to those having tickets on horses finishing next to the winners.

Section 406.70 Dead Heats

a) If a dead heat results in either the first or second half, the total pool is figured as a place pool. Example: If numbers 8 and 5 dead heat in the first race, and number 3 wins the second race, the pool would be divided and apportioned to tickets bearing numbers 8 and 3 and numbers 5 and 3.
b) In the event of a dead heat to win in both races, four winning combinations result. The amounts wagered on the four winning combinations are deducted from the net pool and the remainder divided into four equal parts and each part in turn divided by the four amounts wagered on each winning combination, resulting in the payoff equivalent to each dollar wagered in each instance.

Section 406.80 Scratches Before the First Half is Run

If any horse or horses entered in the first or second half of the Daily Double are scratched, or excused by the stewards, before the first half of the Daily Double is run, all wagers including such horse or horses shall be deducted from the Daily Double pool and the money refunded to the purchaser or purchasers. (See also Rule B5.18E). (11 Ill. Adm. Code 405.180(e))

Section 406.90 Consolation Double

After the first race has been run, if any horse or horses are scratched, excused by the stewards, or prevented from obtaining a fair start or racing because of the failure of the stall doors or the starting gate to open in the last half of the Daily Double, all tickets including such horse or horses, shall be deducted from the pool, and the pool or pools thus formed shall be distributed as a straight pool or pools to the holders of tickets combining the winner of the first half with the horse or horses, so prevented from completing the Daily Double. If no ticket is sold combining the winner of the first half with the horse or horses so prevented from completing the Daily Double, the pool formed as above provided, shall be distributed as a straight pool to holders of tickets combining the horse finishing second in the first half with the horse or horses prevented from starting.

Section 406.100 Probable Pay

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The possible payoff prices shall be posted or announced to the public before the start of the second half of the Daily Double.

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1) Heading of the Part: Definitions

2) Code Citation: 11 Ill. Adm. Code 210

3) Section Numbers: Proposed Action:

210.10 Amendment

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking amends the definitions of downlink and intertrack wagering facility to add terminology consistent with current legislative changes.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

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13) In which regulatory agenda was this rulemaking published? This rulemaking is a result of recent changes to the Horse Racing Act. The Board did not anticipate this rulemaking.

The full text of the proposed amendment begins on the next page:

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NOTICE OF PROPOSED AMENDMENTS

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 210
DEFINITIONS

Section
210.10 Definitions

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 18 Ill. Reg. 2072, effective January 21, 1994; amended at 18 Ill. Reg. 17732, effective November 28, 1994; amended at 19 Ill. Reg. _____, effective _____.

Section 210.10 Definitions

"Act" - The Illinois Horse Racing Act of 1975.

"Added Money" - The money added by a racing association to the various fees paid by the owners of the horses nominated to, entered in and/or starting in a race.

"Added Money Early Closing Event" - A harness race closing in the same year in which it is to be contested in which all entrance and declaration fees received are added to the purse.

"Advanced Wagering" - Any wagering on a race or races to be conducted during a racing program before the next scheduled race.

"Age" - The age of a horse shall be reckoned from the first day of January of the year of foaling except: for foals born in November and December of any year, age shall be reckoned from January 1 of the succeeding year.

"Allowance" - Weights and other conditions of a race.

"Allowance Race" - A race, other than a claiming race, for which certain conditions of eligibility are established.

"Also Eligible" - A horse which has been entered in a race but is not permitted to start unless the number of entrants is reduced by scratches.

"Appeal" - A request for the Board to investigate, consider or review

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any decisions or rulings of the officials of a meeting or the decision of the Board itself.

"Applicant" - A person who applies for an organization or occupation license in a specified category or categories.

"Approximate odds" - The probable ratio of the pay-out price to a $1 wager in the win pool in a pari-mutuel system.

"Arrears" - All monies owed by a licensee, including subscriptions, jockey fees, forfeitures, and any default incident to these rules.

"Association" - A person or business entity holding a license from the Board to conduct racing with pari-mutuel wagering.

"Association Grounds" - All areas used by a racing association in conducting a race meeting.

"Authorized Agent" - A person appointed by an owner or trainer in accordance with Board Rules, the appointment to be designated in a document signed by the owner or trainer, approved by the stewards, executed annually and filed with the Illinois Racing Board.

"Battery" - Any battery, buzzer, electrical, or mechanical device or other appliance, except for the ordinary whip, which can be used to stimulate or depress a horse or affect its speed in a race or workout.

"Beneficial Interest" - Profit, benefit or advantage resulting from a contract or an ownership interest in an estate as distinct from legal title or ownerhsip, i.e., an interest as a devisee, legatee or donee solely for his own use or benefit and not as holder of title for use and benefit of another.

"Betting interest" - Horse, entry or field.

"Bleeder" - A horse that is examined by an official veterinarian following a race or workout and sheds blood from one or both nostrils or upon endoscopic examination shows observable amounts of free blood in the respiratory tract.

"Bleeder List" - A tabulation of all bleeders to be maintained by the Board.

"Board" - Illinois Racing Board.

"Bookmaker" - A person who accepts wagers on racers other than through a pari-mutuel machine.

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"Breakage" - The odd cents by which the amount payable on each dollar wagered exceeds a multiple of 10¢.

"Breeder" - (Harness) The owner of a horse's dam at the time of breeding; (Thoroughbred) The owner of the horse's dam at the time of foaling.

"Canceled Ticket" - A ticket which represents a wager which has been canceled and withdrawn from the pari-mutuel pools.

"Carryover" - The total amount of non-distributed pool money in a pool which is retained and added to a corresponding pool in accordance with these rules.

"Cashed Ticket" - Any pari-mutuel ticket which is refunded or which is presented for payment of a winning wager and is paid.

"Cashier Accounting" - The record of teller activity by transaction and time of transaction.

"Central Processing Unit" - The main computer which controls and stores both programs and data.

"Civil Penalty" - A penalty imposed on a licensee for a violation of Board rules or the Act.

"Claim" - The act of an eligible owner requesting the stewards to order the sale of a horse in a claiming race to him/her for a predetermined amount; To request a weight allowance; To file a claim in a claiming race; To acquire a horse by claiming.

"Claimant" - A person or racing interest meeting one of the three criteria for claiming eligibility.

"Claim Form" - The form upon which an eligible owner agrees to purchase a horse from a claiming race.

"Claiming Price" - The predetermined price at which a horse in a claiming race must be sold if it is claimed.

"Claiming Race" - A race in which any horse starting may be purchased for a predetermined amount in conformance with the Rules and Regulations.

"Colt" - (Harness) An uncastrated horse under four years of age; (Thoroughbred) An uncastrated horse under five years of age.

"Computer Log Library" - A record of all operator initiated actions of

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the transaction processor.

"Concessionaire" - An individual, firm, partnership, corporation, trustee or legal representative licensed to operate as a concessionaire to sell or provide food, beverages, programs, tip sheets or parking to the public at a race track in Illinois.

"Condition Book" - A booklet published by a thoroughbred racing association which sets out the conditions, purses and descriptions of future races. (Synonym: Condition Sheet)

"Conditioned Race" - An overnight event to which entry eligibility is governed by previously specified qualifications.

"Condition Sheet" - A listing, written by the Racing Secretary, with the conditions a horse must meet in order to enter a particular race.

"Conditions" - Qualifications that determine a horse's eligibility to be entered in a particular race.

"Confirmed Test" - A second analytical procedure used to identify the presence of a specific drug or metabolite in a urine specimen.

"Console" - The totalizator status monitor which displays current race pool status information.

"Contest" - A competitive racing event on which pari-mutuel wagering is conducted.

"Contestant" - An individual participant in a contest.

"Controlled Substance" - Any substance listed in 21 U.S.C. 812 (21 U.S.C. 812 does not include any later amendments or editions).

"Coupled Entry" - Two or more contestants in a contest that are treated as a single betting interest for pari-mutuel wagering purposes. (Also see "Entry")

"Dam" - The female parent.

"Day" - A 24 hour period beginning at 12:01 a.m. and ending at 12:00 midnight.

"Dead Heat" - A race in which two or more horses cross the finish line in a tie.

"Declaration" - (Harness) The process of entering a horse in a particular race. (Thoroughbred) The withdrawal of a horse entered for

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a race after the closing of entries. (Synonym: scratch)

"Decoder" - A device and/or means to convert encrypted audio-visual signals and/or data into a form recognizable as the original content of the signals.

"Disqualification" - The act of barring a person from acting as an official or from starting or driving a horse in a race. In the case of a horse, the act of barring it from starting or altering its finishing position for betting and purse purposes.

"Disqualify" - To place a horse in a lower position, in the official order of finish in a race, than it actually finished due to an infraction of the rules.

"Downlink" - A receiving antenna coupled with an audio-visual signal receiver compatible with and capable of receiving simultaneous audio-visual signals and/or data emanating from an organization licensee or host track outside Illinois, and includes the electronic transfer of received signals from the receiving antenna to TV monitors within the inter-track wagering facility.

"Early Closing Race" - A harness race to which entries close at least six weeks preceding the race.

"Eligible to Race" - Refers to a horse whose trainer: has been granted stall space on association grounds; or has been approved to stable elsewhere and to ship in to race at a specific race meeting.

"Encryption" - The scrambling or other manipulations of the audio-visual signals to mask the original video content of the signal and so cause such signals to be indecipherable and unrecognizable to any person receiving such signal without a decoder.

"Entry" - A horse that has been entered for a race; Two or more horses, owned by the same stable, or by husband and wife, or trained by the same trainer, that are coupled for the purpose of pari-mutuel betting as one betting interest.

"Equipment" - The items worn by or attached to a horse in a race.

"Exclusion" - The act of barring from all or part of association grounds or the grounds under the jurisdiction of the Illinois Racing Board. Unless specified in the ruling, an exclusion is unconditional and encompasses all of the association grounds.

"Exhibition Race" - A race on which no wagering is permitted.

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"Expired Ticket" - An outstanding ticket that was not presented for redemption within the required time period for which it was issued.

"Extended Pari-Mutuel Meeting" - A meeting at which no agricultural fair is in progress, of more than 10 days annually, with pari-mutuel wagering.

"Field" - All the horses that compete in a race; A number of horses grouped together as an entry for the purpose of pari-mutuel betting.

"Filly" - (Thoroughbred) A female horse under five years of age. (Harness) A female horse under four years of age.

"Financial Interest" - An interest that could result in directly or indirectly receiving a pecuniary gain or sustaining a pecuniary loss as a result of ownership or interest in a horse or business entity; or as a result of salary, gratuity or other compensation or remuneration from any person. The lessee and lessor of a horse have financial interests.

"Finish Line" - A real or imaginary line, perpendicular to the race course, that marks the end of a race. (Synonyms: finish wire, wire)

"Flat Race" - A race in which horses mounted by jockeys run over a course on which no obstacles are placed.

"Foreign Substance" - All substances except those which exist naturally in the untreated horse of normal physiological concentrations or substances, or metabolites thereof which are contained in equine feeds or feed supplements but do not contain any pharmacodynamic and/or chemotherapeutic agents, or pharmaceutical aids.

"Foul" - An improper act committed by a jockey or a horse in the running of a race.

"Foul Claim" or "Claim of Foul" - An objection, alleging a foul, made to the stewards or their designee by a driver, jockey, owner or trainer of a horse involved in a race.

"Forfeit" - Money due from a licensee because of error, fault, neglect of duty, breach of contract or a penalty imposed by the stewards or the Board.

"Futurity" - (Harness) A stakes race in which the dam of the competing animal is nominated either when in foal or during the year of foaling. (Thoroughbred) A stakes race, for horses not older than three years of age, in which nominations are made before the horse becomes a

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three-year old.

"Gelding" - A castrated horse.

"Gender and Number" - Pronouns of one gender include the other; singular words include the plural and vice versa; unless the context clearly indicates otherwise.

"Gimmick Race" - A race on which a form of multiple wagering is conducted, such as Daily Double, Quinella, Exacta, Perfecta, Trifecta, etc.

"Guaranteed Stakes" - A stakes race with a guarantee by the party offering it that the sum paid shall not be less than the amount named (see Stakes Race).

"Guest Association" - An association that offers licensed pari-mutuel wagering on contests conducted by another association (the host) in either the same or another state.

"Handicap" - (Harness) A race in which starting positions are assigned on the basis of past performance so as to equalize the chance of all horses entered; (Thoroughbred) A race in which the weights carried by the entered horses are assigned by the Handicapper for the purpose of equalizing their respective chances of winning.

"Handicapper" - A person who assigns weights (thoroughbred) or post positions (harness) to horses nominated to a handicap race.

"Handle" - The aggregate dollar amount of all pari-mutuel pools, excluding refundable wagers.

"Heat" - One of two or more installments of a race.

"Horse" - An all encompassing term for any equine of any age, including colt, filly, gelding, ridgeling, mare or stallion; An uncastrated male horse five years of age or older.

"Host Association" - The association conducting a licensed pari-mutuel meeting from which authorized contests or entire programs are simulcast.

"Hypodermic Injection" - Any injection into or under the skin or mucosa, including but not limited to intradermal injection, subcutaneous injection, submucosal injection, intramuscular injection, intravenous injection, intra-arterial injection, intra-articular injection, intrabursal injection, intraocular (intraconjunctival) injection.

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"Ineligible Horse" - A horse not qualified to participate in a specific race under the rules or conditions of that race.

"Ineligible Person" - A person not qualified to participate in specific racing activity under the rules.

"Illinois-Bred Colt or Filly" - A horse sired by a stallion owned by an Illinois resident and standing in the State of Illinois for the season in which the mare was bred.

"Illinois Foaled" - A horse dropped in Illinois.

"Illinois Owned" - A horse owned by a resident of Illinois at the time the horse is declared in to start and at the time of the race.

"Illinois Racing Board" - Whenever the word "Board" is used, it means the "Illinois Racing Board".

"Initial Screening" - A sensitive screening which determines the presence of drugs and their corresponding families.

"Interference" - Any act, which by design or otherwise, and regardless of actual contact, hampers or obstructs any competing horse or horses.

"Intertrack Wagering Facility" - The physical premises, structure and equipment utilized by an intertrack wagering location or intertrack wagering location licensee for the conduct of intertrack wagering or simulcast wagering.

"Inquiry" - An investigation or examination, conducted by the Board or Stewards, into a possible rule violation.

"Issued Ticket" - A wager for which the ticket issuing machine produces a hard copy.

"Jockey" - A rider of a thoroughbred race horse.

"Laboratory" - The Illinois Racing Board Laboratory or an independent testing laboratory contracted by the Board.

"Late Closing Race" - A race for a fixed amount to which entries close less than six weeks and more than three days before the race is to be contested.

"Length of Race" - Races shall be run at the stated distance in units not shorter than a sixteenth of a mile.

"Lessee" - A licensed owner whose interest in a horse is by lease

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agreement.

"Licensee" - A person or legal entity that has been issued an occupation license to participate in racing under the jurisdiction of the Board. (Synonym: Occupation licensee)

"Maiden" - (Harness) A horse that has never won a heat or race, at the gait it is entered to start, for that a purse was offered; (Thoroughbred) A horse that has never earned a winner's purse in a flat race at a recognized meeting in any country.

"Maiden Race" - A contest restricted to nonwinners.

"Mare" - (Harness) A female horse four years of age or older; (Throughbreed) A female horse five years of age or older.

"Match Race" - A race between two horses under conditions agreed to by their owners.

"Matinee Race" - A race with no entrance fee and where the prizes, if any, are other than money.

"Meeting" - The specified period and inclusive dates each year during which an association is authorized to conduct racing by approval of the Board.

"Minor" - Any person under the age of seventeen.

"Minus Pool" - A minus pool occurs when the amount of money to be distributed on winning wagers is in excess of the amount of money comprising the net pool.

"Month" - A calendar month.

"Mutuel Field" - Two or more horses in a contest that are treated as a single betting interest for pari-mutuel wagering purposes when the total number of betting interests exceeds the number that can be handled individually by the pari-mutuel system.

"Mutuel Manager" - The racing official designated by the organization licensee to supervise its pari-mutuel department.

"Net Pool" - The amount of gross ticket sales less refundable wagers and statutory commissions.

"Nominator" - The person or entity in whose name a horse is nominated for a race or series of races.

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"Nominee" - A horse nominated to a stakes and/or handicap race.

"Nomination" - The naming of a horse to a stakes and/or handicap race. In a futurity, the naming of a foal in utero to a certain race or series of races, eligibility to which is conditioned on the payment of a fee at the time of naming and the payment of subsequent sustaining fees and/or starting fees.

"Objection" - A claim of foul lodged with the stewards or their designee by a jockey of a horse in a race immediately after a race and before the race is made official, or a claim of foul lodged with the patrol judge in a starting car, by a driver of a horse in a race, immediately after the race and before the driver dismounts.

"Odds Board" - A large sign-board structure, located in the infield of a race track, upon: which the approximate odds are prominently displayed. (Synonym: Tote Board)

"Off Bell" - The bell, operated by the stewards, that signals the locking of ticket-issuing machines; The bell that rings as a race starts.

"Official Order of Finish" - The order of finish of the horses in a contest as declared official by the stewards.

"Official Starter" - The official responsible for dispatching horses to begin a race.

"Official Time" - The elapsed time from the moment the first horse crosses the starting point until the first horse crosses the finish line.

"Official Veterinarian" - A veterinarian employed by the Board or employed by an organization licensee and approved by the Board.

"Off Time" - The moment at which, on the signal of the official starter, the doors of the starting gate are opened, officially dispatching the horses in each contest.

"Off-Track Stabling" - Any farm, any Illinois race track not licensed by the Board in the current calendar year, or any other location designated and approved for the purpose of stabling horses to be raced at a race track under the jurisdiction of the Board.

"Organization Licensee" - Any person or entity receiving an organization license from the Board to conduct a race meeting or meetings.

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"Outstanding Ticket" - An uncashed winning or refundable pari-mutuel ticket that was not redeemed during the performance for which it was issued and that must be cashed within the statutory time limit.

"Overnight Event" - A contest for which entries close at a time set by the racing secretary. (Synonym: Overnight Race, Overnight)

"Owner" - A person or stable that has property rights in a horse or horses, by ownership or lease of a horse or horses.

"Paddock" - The building or enclosure where horses are saddled for a race. A railed enclosure in which the horses are paraded for public view immediately before the post parade.

"Pari-Mutuel Auditor" - An employee of the Board's Pari-Mutuel Audit Unit.

"Pari-Mutuel Audit Unit" - The State Director of Mutuels and the Pari-Mutuel Auditors.

"Pari-Mutuel System" - The manual, electro-mechanical, or computerized system and all software (including the totalizator, account betting system and off-site betting equipment) that is used to record wagers and transmit wagering data.

"Patron" - A member of the public present on the grounds of a pari-mutuel association during a meeting for the purpose of wagering or to observe racing.

"Payoff" - The amount of money payable on winning wagers.

"Person" - Any individual, partnership, corporation or other association or entity.

"Pharmaceutical Aids" - Polyethylene glycol, polyoxyethylene glycol, polyalkylene glycol, polyoxyalkylene glycol, polysorborates, sorbitans and their analogues and derivatives.

"Pool" - Total amount of money wagered upon all horses in a race to finish in a specific position or positions.

"Post" - The place on a race course from which the horses start in a race.

"Post Position" - The pre-assigned positions from which the horses leave the starting gate.

"Post Time" - The scheduled starting time of a contest.

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"Prescription Drugs" - Any chemical substance which is prohibited from being dispensed by any Federal or Illinois law without a valid prescription.

"Prima Facie Evidence" - Evidence that, until its effect is overcome by other evidence, will suffice as proof of fact in issue.

"Profit" - The net pool after deduction of the amount wagered on the winners.

"Profit Split" - A division of profit among separate winning betting interests or winning betting combinations resulting in two or more payoff prices.

"Program" - The published listing of all contests and contestants for a specific day's racing. The races of a particular day, considered together.

"Protest" - An objection lodged with the stewards of any infringement of the rules of racing.

"Purse" - The amount of money won by the owner of any competitor in a race.

"Purse Race" - A race for money to which the owners of the competing horses do not contribute.

"Qualifying Race" - A race for the purpose of viewing horses for speed, racing manners and competitiveness in which no purse money is offered and on which no pari-mutuel wagering is conducted.

"Quarter Horse" - A horse registered with the American Quarter Horse Association of Amarillo, Texas.

"Race" - A contest between horses at a licensed meeting for purse, stakes, prize or reward.

"Race Course" - The actual racing surface.

"Race on the Flat" - (see Flat Race)

"Race Track Enclosure" - Association grounds, owned, leased or controlled by the racing association, whether or not enclosed by a fence and including, but not limited to, track parking lots.

"Race Track Operator" - Any person, association or corporation licensed by the Illinois Racing Board to conduct horse racing within Illinois for any stake, purse or reward.

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"Race Meeting" - The period of time, whether for consecutive or nonconsecutive dates, for which an organization license has been issued.

"Racing Association" - Any person, partnership, corporation, or other entity licensed by the Board to conduct a race meeting. (Synonym: organization licensee or race track operator)

"Racing Day" - Any period beginning at noon included in the period of a race meeting that ends at midnight, unless otherwise provided by statute.

"Racing Interest" - Any individual owner, partnership of owners, or corporation that participates as an owning entity or nominator of a race horse.

"Racing Jurisdiction" - A governmental regulatory body that, by statute or ordinance, regulates pari-mutuel racing.

"Racing Soundness Exam" - The physical examination for racing soundness and health of each horse by an official veterinarian.

"Recognized Meeting" - Any race meeting with regularly scheduled races licensed by and conducted under rules promulgated by a governmental regulatory body, including meetings in foreign countries.

"Record" - The fastest time made by a horse in a race that he won or in a performance against time.

"Refunded Ticket" - A ticket which has been refunded for the value of a wager that is no longer valid (e.g., when a horse has been scratched or the wagering canceled).

"Restricted Area" - An area on the grounds of a racetrack where admission can be obtained only upon presentation of valid credentials. Such areas shall include the stable areas, detention barn, jockey or driver room, paddock, race course and pari-mutuel department.

"Result" - That part of the official order of finish used to determine the pari-mutuel payoff pools for each individual contest.

"Ruled Off" - Synonymous with suspended or excluded.

"Rules" - Regulations promulgated by the Board pursuant to the Horse Racing Act.

"Ruling" - A written decision, determination, and/or order of the stewards.

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"Satellite Transponder" - A leased space segment time of an earth-orbit communication satellite.

"Scoring" - Preliminary warm-ups by horses.

"Scratch" - The withdrawal of a horse from a race after the closing of entries.

"Scratch Time" - The time designated by the racing association as a deadline for an owner or trainer to file a request for a scratch.

"Simulcast" - The live audio and visual transmission of a contest to another location for pari-mutuel wagering purposes.

"Single Price Pool" - An equal distribution of profit to winning betting interests or winning betting combinations through a single payoff price.

"Stable Name" - The assumed name or nom de course under which a person or stable races horses.

"Stakes" - All the fees paid by subscribers to a stakes race, which may include the nomination, eligibility, supplemental, entry or starting fees or any fee that is required by the conditions of a race.

"Stakes Race" - A race that is closed to nominees more than 72 hours before it is run with a purse that includes all stakes payments in addition to the money added by the racing association.

"Starter" - The racing official whose duty it is to get the horses away to a fair start in a race. Any horse that participates, i.e., starts, in a race.

"Starter Race" - An overnight event, under allowance or handicap conditions, restricted to horses who have previously started for the designated claiming price or less, as stated in the conditions of the race.

"State Director of Mutuels" - The individual representing the Board in the supervision and verification of the pari-mutuel wagering pool totals for each racing day.

"Steeplechase Race" - A contest in which horses mounted by jockeys run over a course on which jumps or other obstacles are placed.

"Steward" - Duly appointed top official at a race track with the power to fine, suspend, and rule off persons licensed in racing.

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"Stewards' Stand" - The room, generally located on the roof of a racetrack grandstand or clubhouse, from which the state stewards and association stewards observe the running of races.

"Subscription" - The nomination or entry of a horse in a stakes race.

"Sulky" - A dual-shaft, dual wheel racing vehicle.

"Suspension" - A penalty in which the rights and privileges of a licensee are withdrawn for a specified period of time. An occupation licensee whose license is suspended is prohibited from engaging in any licensed occupation and is excluded from all grounds under the jurisdiction of the Board, unless otherwise specified in the ruling or order (example: suspended from riding or driving).

"Sweepstakes" - A race where the owners of horses entered or engaged for the race contribute to a purse to which money or any other prize may be added, and nominations to which close 72 hours or more before starting.

"Takeout" - The total amount of money, excluding breakage, withheld from each pari-mutuel pool, as authorized by statute or rule.

"Test Level" - The concentration of a foreign substance found in a test sample.

"Test Sample" - Any substance, including but not limited to, blood or urine taken from a horse or licensee for the purpose of testing for foreign or controlled substances.

"Threshold Level" - The concentration of a foreign substance found in a test sample.

"Ticket Issuing Machine" - A machine which prints hard copies of wagers.

"Totalizator" - An electronic device tnat automatically registers the wagers made on each horse or pool and prints or issues a ticket representing each such wager or wagers.

"Totalizator System Licensee" - Any person, corporation, company, association or any other entity which sells, leases, or operates totalizator equipment and is licensed by the Board.

"Tote Room" - The room at a race track in which the totalizator system's computer is housed.

"Tout" - Someone who furnishes information concerning selection of a

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horse for wagering purposes, or predicts the outcome of a race for wagering purposes, in exchange for a consideration.

"Trial Race" - Part of a series of contests in which horses participate for the purpose of determining eligibility for a subsequent contest.

"Uplink" - An earth station broadcasting facility, whether mobile or fixed, which is used to transmit audio-visual signals and/or data on FCC-controlled frequencies, and includes any electronic transfer of audio-visual signals from within a racing enclosure to the location of the transmitter at the uplink.

"Utilities" - Programs that are provided by computer vendors to perform tasks such as duplication of program tapes, modification of master files, and access to passwords.

"Validation" - The act or process by which the Board's licensing office at a race meeting stamps or otherwise marks the licensee's identification card, thereby allowing the licensee access to restricted areas during a specific race meeting.

"Vendor" - A seller of feed, medication, stable supplies, or other merchandise in restricted areas.

"Veterinarian" - A veterinary practitioner licensed as such by the Illinois Department of Professional Regulation.

"Walkover" - An event in which all horses but one in a race are withdrawn, leaving that horse to walk the prescribed course at the distance of the race. A walkover may be between two or more horses if they belong to a single interest.

"Week" - A calendar week.

"Weigh-In" - The presentation of a jockey to the Clerk of Scales for weighing after a race.

"Weight-Out" - The presentation of a jockey to the Clerk of Scales for weighing prior to a race.

"Weight for Age" - A race in which a fixed scale is used to assign the weight to be carried by individual horses according to age, sex, distance of the race, and season of the year.

"Winner" - The horse whose nose reaches the finish line first. If there is a dead heat for first, those horses shall be considered winners.

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"Wire" - See Finish line.

"Year" - A calendar year.

(Source: Amended at 19 Ill. Reg. _____, effective _____)

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1) Heading of the Part: Double Trifecta Wagering Pool

2) Code Citation: 11 Ill. Adm. Code 439

3) Section Numbers: Proposed Action:

439.10	Repeal
439.20	Repeal
439.30	Repeal
439.40	Repeal
439.50	Repeal
439.60	Repeal
439.70	Repeal
439.80	Repeal
439.90	Repeal
439.100	Repeal
439.110	Repeal
439.120	Repeal
439.130	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals current double trifecta rules. This wager type will no longer be available to patrons.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: All comments should be submitted in writing, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 W. Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

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12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliances: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

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TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: GENERAL RULES

PART 439
DOUBLE TRIFECTA WAGERING POOL (REPEALED)

Section
439.10 Definition
439.20 Separate Pool
439.30 Entries and Fields Prohibited
439.40 Dead Heats
439.50 Pool Calculations
439.60 Mandatory Distribution
439.70 One or Two Races Cancelled
439.80 Refunds
439.90 Sale of Tickets
439.100 Name and Notice
439.110 Only One Double Trifecta Per Program
439.120 Disclosure
439.130 Trifecta Rules

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 14 Ill. Reg. 13847, effective August 14, 1990; repealed at 19 Ill. Reg. _____, effective _____.

Section 439.10 Definition

A double trifecta wager combines three horses in each of two races, selecting the horses that will finish first, second and third in each race, in the official order of finish on a single ticket.

Section 439.20 Separate Pool

All double trifecta wagers will be calculated in a pool which is separate from any other wagering pool.

Section 439.30 Entries and Fields Prohibited

Entries and fields are prohibited in double trifecta races.

Section 439.40 Dead Heats

a) In the case of a dead heat for first, the winning combinations shall include the first two horses as finishing in either the first or

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second position and the horse finishing third in each of the double trifecta races.

b) In case of a dead heat to place, the winning combinations shall be the horse finishing first and the two horses finishing in a dead heat for place, as finishing in either the second or third position in each of the double trifecta races.

c) In case of a dead heat for third, the winning combinations shall be the horse finishing first, the horse second, and the two horses finishing in either the third or fourth positions in each of the double trifecta races.

d) In all instances of dead heats, the winning combinations shall be paid equally.

Section 439.50 Pool Calculations

a) The net amount in the double trifecta pool shall be distributed equally to the holders of pari-mutuel tickets which correctly designate the official winners of the double trifecta races.

b) If no ticket is sold that would require distribution of the double trifecta pool to a winner under this directive, then the net pool shall be carried forward as the carry-over and shall be added to the net pool on the next double trifecta wager.

Section 439.60 Mandatory Distribution

At the last program of a meeting or the last program during consecutive race meetings of the same type of racing at the same race track, a mandatory distribution shall be declared by the organization licensee and shall be advertised to the public. When a mandatory distribution is required, all of the jackpot shall be distributed even if no ticket combines the exact winning combination. In this case, the winning tickets shall be those combining the most finishers in the winning combination. For example, if the exact winning combination is 1-2-3/1-2-3 but no such combination is sold, the winners shall be any 5 of the 6, etc. If neither leg is contested the pool shall be distributed equally to all double trifecta tickets for that day. The general manager with the consent of the Executive Director shall have the power to order a mandatory distribution prior to the last racing day of the race meeting whenever he/she determines that to do so is in the best interest of the public (e.g., bad weather forcing cancellation of races).

Section 439.70 One or Two Races Cancelled

If one or both double trifecta races are cancelled, all double trifecta tickets for that program shall be refunded and the double trifecta cancelled. The accumulated carry-over pool shall be carried over to the next racing day. This Section shall not apply in the case of a mandatory distribution.

Section 439.80 Refunds

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a) If any horse or horses entered in any of the double trifecta races are scratched, or excused by the stewards, before the first race of the double trifecta is run, all wagers including such horse or horses shall be deducted from the double trifecta pool and the money refunded to the purchaser or purchasers. Any ticket not refunded by post time of the first double trifecta race shall be placed in the consolation pool as set forth in Section 439.80(b).

b) After the first race of the double trifecta races has been run, if any horse or horses are scratched, excused by the stewards, or prevented from racing because of the failure of the stall doors of the starting gate to open or which is otherwise determined to be a non-starter in the race for which selected, the value of that ticket shall be withdrawn from the double trifecta pool. The total net value of all such withdrawn tickets shall be distributed equally as a consolation among holders of withdrawn double trifecta tickets which have the next higher total of winning and scratched selections, including at least one winner. However, if such ticket is entitled to participate in the mandatory distribution double trifecta pool outlined above, it will not be withdrawn from that pool. If there are no consolation winners, the net double trifecta pool is not affected.

Section 439.90 Sale of Tickets

No double trifecta ticket shall be sold, exchanged or cancelled after the close of wagering on the first of the double trifecta races. The double trifecta will be subject to the Board conditions for trifecta races.

Section 439.100 Name and Notice

The organization licensee may give a different name to the double trifecta form of wagering but shall notify the Board of such choice of names. Each of the double trifecta races shall be clearly designated in the program. Double trifecta tickets shall be clearly marked to indicate the type of wager.

Section 439.110 Only One Double Trifecta Per Program

An organization licensee may offer only one double trifecta wager per racing program.

Section 439.120 Disclosure

No person shall disclose the number of double trifecta tickets sold or the number or amount of tickets selecting winners of the double trifecta races prior to the time the stewards have determined the last race comprising the double trifecta each day to be official.

Section 439.130 Trifecta Rules

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All Trifecta rules apply (11 Ill. Adm. Code 409).

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1) Heading of the Part: Inter-track Wagering Facilities

2) Code Citation: 11 Ill. Adm. Code 435

3) Section Numbers: Proposed Action:

435.10	Repeal
435.60	Repeal
435.70	Repeal
435.80	Repeal
435.90	Repeal
435.100	Repeal
435.140	Repeal
435.150	Repeal
435.160	Repeal

4) Statutory Authority: 230 ILCS 5

5) A Complete Description of the Subjects and Issues Involved: This rulemaking repeals Sections involving pari-mutuel wagering and simulcasting requirements from this Part. Proposed rules for pari-mutuel wagering and simulcasting can be found in Parts 300 and 322.

6) Will this rulemaking replace any emergency rulemaking currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? No

9) Are there any other proposed rulemakings pending on this part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

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A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures requires for compliance: None

D) Types of professional skills necessary for compliance: None

13) State reasons for this rulemaking if it was not included in either of the two most recent regulatory agendas: This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to proposed this rulemaking earlier than it had originally anticipated.

The full text of the Proposed Amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 435
INTER-TRACK WAGERING FACILITIES

Section
435.10 Definitions (Repealed)
435.20 Application for Inter-Track Wagering License
435.30 Board Approval of an Application
435.40 Penalties and Conditions
435.50 Board Office
435.60 Simulcast Requirements (Repealed)
435.70 Audio Transmission (Repealed)
435.80 Inter-Track Wagering Pools (Repealed)
435.90 Announcing the Close of Wagering (Repealed)
435.100 Pari-Mutuel Wagering (Repealed)
435.110 Licensing of Employees
435.120 Concessionaire License
435.130 Prohibited Practices by Employees
435.140 Customer Relations (Repealed)
435.150 Duties of Organization Licensee (Repealed)
435.160 Duties of Inter-Track Wagering Facility (Repealed)

AUTHORITY: Implementing and authorized by the Illinois Horse Racing Act of 1975 [230 ILCS 5].

SOURCE: Emergency rules adopted at 12 Ill. Reg. 6805, effective March 23, 1988, for a maximum of 150 days; adopted at 12 Ill. Reg. 11235, effective June 20, 1988; amended at 16 Ill. Reg. 13073, effective August 10, 1992; amended at 19 Ill. Reg. _____, effective _____.

Section 435.10 Definitions (Repealed)

~~"Decoder"---means---a---device---and/or--means--to--convert--encrypted audio-visual-signals-and/or-data--into--a--form--recognizable--as--the original-content-of-the-signals.~~

~~"Downlink"--means--a--receiving--antenna--coupled-with-an-audio-visual signal-receiver-compatible-with-and-capable-of-receiving--simultaneous audio-visual--signals--and/or--data--emanating--from--an--organization licensee,--and--includes--the--electronic-transfer-of-received-signals from-the-receiving-antenna--to--TV--monitors--within--the--inter-track wagering-facility.~~

~~"Encryption",--"encrypted",-or-"encoded"-means-the-scrambling-or-other~~

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~~manipulation-of-the-audio-visual-signals-to-mask--the--original--video content--of--the-signal-and-so-cause-such-signals-to-be-indecipherable and-unrecognizable-to-any--person--receiving--such--signal--without--a decoder.~~

~~"Inter-track-wagering-facility"-means-the-physical-premises,-structure and---equipment--utilized--by--an--inter-track--wagering--location--or inter-track-wagering-location-licensee-for-the-conduct-of--inter-track wagering.--The-inter-track-wagering-facility-shall-include,-but-not-be limited-to,-the-following:--television-display-units;-a-display-system for-racing-performance,-odds,-and-payout-prices;-areas-for-viewing-and seating;--a--food--and--beverage--facility;-and-any-other-conveniences regularly-provided-at-its-Illinois-racetrack.~~

~~"Satellite-transponder"-or-"transponder"-means--leased--space--segment time-of-an-earth-orbit-communication-satellite.~~

~~"Simulcast",-"simulcasting"-means-live-audio-visual-electronic-signals emanating--from--a--licensed--horse--racing--meeting--and--transmitted simultaneously--with--the-running-of-the-races-at-that-meeting.--These terms-shall-also-include--the--transmission--of--pari-mutuel--wagering odds,-amounts-wagered-and-payoffs-on-such-events.~~

~~"Uplink"--means-an-earth-station-broadcasting-facility,-whether-mobile or-fixed,-which-is-used-to-transmit-audio-visual-signals--and/or--data on-F.C.C.-controlled-frequencies,-and-includes-any-electronic-transfer of-audio-visual-signals-from-within-a-racing-enclosure-to-the-location of-the-transmitter-at-the-uplink.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.60 Simulcast Requirements (Repealed)

~~a) The--organization--licensee--conducting--the--horse--race--upon--which inter-track-wagering-is-being-conducted-is-responsible-for-the-content of-its-simulcast-and-shall-use-all--reasonable--effort--to--present--a simulcast--which--offers--the--viewers--an--exemplary-depiction-of-its racing-program.~~

~~b) Every-simulcast-shall-be-encrypted-using-a-time-displacement--decoding algorithm-encryption-system.~~

~~c) Every-simulcast-will-contain-in-its-video-content-a-digital-display-of the--actual--time--of--day,--the--name-of-the-race-track-from-where-it emanates,-and-the-number-of--the--race--being--displayed,--a--periodic display--of--wagering--information,-and-continuity-programming-between horse-racing-events.~~

(Source: Repealed at 19 Ill. Reg. _____, effective

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_____)

Section 435.70 Audio Transmission (Repealed)

In the event that the simulcast of the racing program is interrupted temporarily, the transmission of only the audio description of the racing program to the inter-track wagering facility may be continued until such temporary interruption can be corrected, provided the Board or its designee has given advance approval in accordance with Section 435.30.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.80 Inter-Track Wagering Pools (Repealed)

The wagering pools offered by the licensee of the inter-track wagering facility shall be combined with those wagers placed at the organization licensee so as to produce a combined common pari-mutuel betting pool for the purpose of calculating price. Each inter-track wagering licensee or inter-track wagering location licensee shall be solely responsible for conducting its own wagering pool and for making all payoffs.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.90 Announcing the Close of Wagering (Repealed)

The stop betting command shall be noted by the ringing of the off bell at the inter-track wagering facility.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.100 Pari-Mutuel Wagering (Repealed)

All pari-mutuel wagering at an inter-track wagering facility shall be conducted in accordance with Ill. Adm. Code 405. Pari-mutuel tickets utilized at inter-track wagering location licensee facilities shall be distinct from those pari-mutuel tickets utilized by inter-track wagering licensee facilities or by organization licensees. The form of the ticket utilized shall be approved by the Board or its designee prior to the operation of the inter-track wagering facility if its meets this standard.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.140 Customer Relations (Repealed)

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NOTICE OF PROPOSED REPEALER

Each licensee of an inter-track wagering facility shall have on duty during all times the facility is open to the public a customer relations employee.

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.150 Duties of Organization Licensee (Repealed)

An Organization licensee shall provide:

a) An uplink system which shall not interfere with the closed circuit television system utilized by the racing association for officiating and on-track patron information;

b) An uplink consisting of a Ku/C band earth station with steerable reflector feed, Ku/C band transmit/receive antenna compliant with the F.C.C. two degree beam width regulation contained at "Antenna Performance Standards" (47 CFR 25.209 (1987)), Ku/C band transmitters, microwave or fiber optic link or other means of video communications, switching unit, TV color monitors, video tape recorders, encryption system and controlling computer terminals; all to be of network broadcast quality and meet applicable F.C.C. regulations contained at "Satellite Communications" (47 CFR 25 (1987)) and "Radio Broadcast Services" (47 CFR 73 (1987));

c) A transponder;

d) Pari-mutuel terminals, pari-mutuel odds display, modems and/or switching units at the organization licensee enabling pari-mutuel data transmissions, and data communication to and from the totalizator utilized by the inter-track wagering facility;

e) A voice communication system between each inter-track wagering facility and the organization licensee providing direct voice contact between the stewards and pari-mutuel departments;

f) A video record of all simulcasts, in decoded form, and a copy of such record on either a 1/2" or 3/4" video cassette when requested by the Board;

g) Not less than thirty (30) minutes prior to the commencement of transmission of the racing program for each day or night, a test program of its transmitter, encryption, and decoding, and data communication to assure proper operation of the system;

h) At the request of the any representative of the Board, a listing of all locations able to receive the simulcast in decoded form;

i) Such security controls over its uplink and communications system as directed by the Board consistent with Section 26(h)(3) of the Act;

j) A report of its pari-mutuel operations at the inter-track wagering facility not more than 90 days following the conclusion of each race meeting conducted by a contracting organization licensee and its business records for examination by the Board at its request; and

k) An annual report of its simulcast operations and an audited financial statement.

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NOTICE OF PROPOSED Repealer

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

Section 435.160 Duties of Inter-Track Wagering Facility (Repealed)

~~An inter-track wagering facility shall provide:~~

~~a) A downlink system which shall not interfere with the closed-circuit television system utilized by the inter-track wagering facility for officiating and inter-track patron information;~~

~~b) A downlink consisting of Ku/C-band earth station with steerable reflector feed, Ku/C-band receive antenna compliant with the F.C.C. two degree beam width regulation contained at "Antenna Performance Standards" (47 CFR 25.209 (1987)), Ku/C-band receivers, microwave or fiber optic link or other means of video communications, switching unit, TV color monitors, video tape recorders, description system and controlling computer terminals, all to be of network broadcast quality and meet applicable F.C.C. regulations contained at "Satellite Communications" (47 CFR 25 (1987)) and "Radio Broadcast Services" (47 CFR 73 (1987));~~

~~c) Pari-mutuel terminals, pari-mutuel odds display, modems and/or switching units at the inter-track wagering facility enabling pari-mutuel data transmissions, and data communication to and from the totalizator utilized by the organization licensee;~~

~~d) A voice communication system between each inter-track wagering facility and the organization licensee providing direct voice contact between the stewards and pari-mutuel departments;~~

~~e) A video record of all simulcasts, in decoded form, and a copy of such record on either a 1/2" or 3/4" video cassette when requested by the Board;~~

~~f) Not less than thirty (30) minutes prior to the commencement of transmission of the racing program for each day or night, a test program of its receiver, description, and decoding, and data communication to assure proper operation of the system;~~

~~g) A separate outstanding ticket liability account must be maintained if the totalizator system utilized by the inter-track wagering facility is independent from that of the organization licensee;~~

~~h) Such security controls over its downlink and communications system as directed by the Board consistent with Section 26(h)(3) of the Act;~~

~~i) It shall be the responsibility of the inter-track wagering facility to comply with the Board emergency stop betting procedures;~~

~~j) A report of its pari-mutuel operations not more than 99 days following the conclusion of each race meeting conducted by contracting organization licensee, and its business records for examination by the Board at its request; and~~

~~k) An annual report of its simulcast operations and an audited financial statement.~~

(Source: Repealed at 19 Ill. Reg. _____, effective

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_____)

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1) Heading of the Part: Over/Under Rules

2) Code Citation: 11 Ill. Adm. Code 419

3) Section Numbers: Proposed Action:

419.10	Repeal
419.20	Repeal
419.30	Repeal
419.40	Repeal
419.50	Repeal
419.60	Repeal
419.70	Repeal
419.80	Repeal
419.100	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the Board's current over/under rules. This wager type will no longer be available to patrons.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: All comments should be submitted in writing, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the

ILLINOIS RACING BOARD

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Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 419
OVER/UNDER RULES (REPEALED)

Section
419.10 Over/Under Wager
419.20 Determination and Publication of Over/Under Number
419.30 Pool Calculations
419.40 Dead Heats
419.50 Name and Notice
419.60 Sale of Tickets
419.70 Scratches
419.80 Cancellation of Races
419.90 Limitation on Multiple Wagers Does Not Apply (Repealed)
419.100 Minimum Wager Accepted

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 14 Ill. Reg. 14978, effective September 4, 1990; amended at 15 Ill. Reg. 11992, effective August 12, 1991; repealed at 19 Ill. Reg. _____, effective _____.

Section 419.10 Over/Under Wager

All Over/Under wagers combine the total of the program numbers of the official first, second and third place finishers in each of the three designated races on a single race program. If all three selections are correct the ticket shall be considered a winner. All Over/Under wagers shall be calculated in a pool entirely separate from all other wagering pools.

Section 419.20 Determination and Publication of Over/Under Number

a) The Race Secretary shall establish a number which best represents a middle so as to split the over/under monies as close as possible in half.
b) An organization licensee shall cause to be published in the Official Daily program, in a prominent place, this number, which in all cases shall be 1/2 so as to eliminate any draws, ties, or pushes. (Example: 11-1/2 or 12-1/2, but in no instance 11 or 12).

Section 419.30 Pool Calculations

The Over/Under pari-mutuel pools shall be calculated as follows:
a) Winner pool: The net amount in each pool shall be distributed equally

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NOTICE OF PROPOSED REPEALER

to the holders of pari-mutuel tickets which correctly designate the most winning Over/Under combinations.
b) In the event that there are less than three finishers in any one race, both "over" and "under" in that race shall be considered winners.

Section 419.40 Dead Heats

If a dead heat results in more than (three) horses paying "show" prices, that "leg" of the bet will have more than one total number. If all combinations of these numbers are "over" then the leg is "over". If all combinations of these numbers are "under", then the leg is "under". If at least one total number is "over" and another is "under" then the leg shall be considered "over" and "under".

Section 419.50 Name and Notice

The organization licensee may give a different name to the Over/Under form of wagering but shall notify the Board of such choice of names. Each of the Over/Under races shall be clearly marked to indicate the type of wager.

Section 419.60 Sale of Tickets

No Over/Under ticket shall be sold, exchanged or cancelled after the close of wagering on the first Over/Under race.

Section 419.70 Scratches

If, prior to the start of the first of the three races designated for an Over/Under pool, a horse is scratched, a patron's ticket shall be cancelled or exchanged by the purchaser. However, in no instance shall a cancellation or exchange be permitted after the start of the first race which comprises the Over/Under wagering pool.

Section 419.80 Cancellation of Races

a) Two or more: If the stewards cancel or declare as no contest two or more of the Over/Under races, all Over/Under tickets for that pool shall be refunded and the Over/Under cancelled.
b) If one of the Over/Under races is cancelled or declared as no contest, both over and under in that race shall be considered winners.

Section 419.100 Minimum wager Accepted

The minimum wager for the Over/Under shall not be less than $10.00.

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1) Heading of the Part: Pari-Mutuels

2) Code Citation: 11 Ill. Adm. Code 405

3) Section Numbers: Proposed Action:

405.10	Repeal
405.20	Repeal
405.30	Repeal
405.40	Repeal
405.55	Repeal
405.80	Repeal
405.90	Repeal
405.100	Repeal
405.110	Repeal
405.120	Repeal
405.130	Repeal
405.140	Repeal
405.150	Repeal
405.160	Repeal
405.180	Repeal
405.190	Repeal
405.200	Repeal
405.210	Repeal
405.220	Repeal
405.230	Repeal
405.240	Repeal
405.250	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the Board's current pari-mutuel rules. A comprehensive set of pari-mutuel rules are proposed in Part 300.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this

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proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601, (312)814-5020.

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) Which regulatory agenda was this rulemaking published in? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 405
PARI-MUTUELS (REPEALED)

Section
405.10 State Director of Mutuels
405.20 Duties of the State Director of Mutuels
405.30 Mutuel Department Operations
405.40 Mutuel Employees
405.50 Totalizator (Repealed)
405.55 No Wagering After Start
405.60 Odds Board Control (Repealed)
405.70 Odds Board Update (Repealed)
405.80 Records of All Calculations
405.90 Number of Pari-Mutuel Races
405.100 Ticket Windows
405.110 Sale of Pari-Mutuel Tickets
405.120 Minimum Wager Prices
405.130 Minimum Pay-Off - Minus Pools - Surcharges
405.140 Payments
405.150 Report Scratches
405.160 Number of Pools
405.170 Multiple of Wagering Pools (Repealed)
405.180 Failure of Starting Gate
405.190 Horses Scratched
405.200 "Official" Sign Final
405.210 Minors Barred
405.220 Lost Tickets
405.230 Mutilated or Altered Tickets
405.240 Information Window
405.250 System Failure

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 4 Ill. Reg. 38, effective September 8, 1980; codified at 5 Ill. Reg. 10886; emergency amendment at 8 Ill. Reg. 22142, effective October 31, 1984, for a maximum of 150 days; amended at 11 Ill. Reg. 12375, effective July 18, 1987; amended at 12 Ill. Reg. 206, effective December 23, 1987; amended at 14 Ill. Reg. 11310, effective July 3, 1990; amended at 14 Ill. Reg. 17646, effective October 16, 1990; amended at 15 Ill. Reg. 591, effective January 3, 1991; amended at 15 Ill. Reg. 2733, effective February 5, 1991; amended at 15 Ill. Reg. 13933, effective September 5, 1991; amended at 16 Ill. Reg. 8232, effective May 19, 1992; amended at 18 Ill. Reg. 11999, effective

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July 14, 1994; expedited correction at 18 Ill. Reg. 17938, effective July 14, 1994; amended at 18 Ill. Reg. 17753, effective November 28, 1994; repealed at 19 Ill. Reg. _____, effective _____.

Section 405.10 State Director of Mutuels

The Board shall appoint, for each race meeting, a representative to be known as the State Director of Mutuels to direct and supervise the conduct of the Mutuel Department during each race meeting. The State Director of Mutuels shall be given free access to all of the books, papers and records of the organization licensee and to any room or enclosure of the organization licensee at any and all times provided said access is necessary to his direction and supervision of the Mutuel Department.

Section 405.20 Duties of the State Director of Mutuels

The officers and employees of the organization licensee shall give the State Director of Mutuels such information as he may request, provided such information is necessary to his direction and supervision of the Mutuel Department, so that the Board may be assured that the Mutuel Department is being properly and efficiently operated in strict accordance with the Act and the rules and regulations of the Board. He shall be empowered to direct the organization licensee to adopt, subject to the approval of the Board, such procedures, methods and systems of operating the Mutuel Department as may be deemed necessary to insure compliance with the Act and the rules and regulations of the Board. He shall report to the Board any failure of the organization licensee to comply with the Act or any rules or regulations of the Board.

Section 405.30 Mutuel Department Operations

a) The provisions of the Act are to be enforced in all matters pertaining to tax, breakage and track commission on pari-mutuel wagering. The method and manner of selling pari-mutuel tickets shall be reviewed by the Board. Such review shall include but not be limited to the number of windows, the distribution of windows, the manner and denomination in which pari-mutuel tickets shall be sold, and the mutuel staffing plan. The latter shall be filed with the Board 60 days prior to the opening of each race meet.
b) If problems involving mutuel department operations can not be resolved between the State Director of Mutuels and the Mutuel Manager or between the Secretary and the General Manager, such problems shall be brought to the attention of the Board. In such cases, the Board shall consider all relevant factors, including but not limited to: the convenience and comfort of race track patrons, both regular customers and new fans, the maximization of state revenue, the customs and traditions of the industry, and the prevention of practices detrimental to the public.

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Section 405.40 Mutuel Employees

All mutuel department employees coming in contact with patrons must at all times conduct themselves in a respectful and temperate fashion and upon any complaint, no matter how slight, shall immediately secure the presence of a superior, and, if possible, a representative of the Illinois Racing Board.

Section 405.55 No Wagering After Start

No person shall wager after the start of a race. The start of a race shall be determined by the opening of the starting gate.

Section 405.80 Records of All Calculations

a) Copies of the take-off on each pool from the totalizator equipment, showing the total amount wagered and the amounts wagered on betting interests shall be delivered at once to the State Director of Mutuels.
b) The State Director of Mutuels shall retain all of said records and shall deliver or forward them to the Board within 24 hours.

Section 405.90 Number of Pari-Mutuel Races

a) For the purpose of pari-mutuel wagering, all races are considered separate and distinct.
   1) Harness: Wagering shall be prohibited on more than 11 harness races during the course of a single racing program, unless special permission is granted by the Board.
   2) Thoroughbred: Wagering shall be prohibited on more than 10 thoroughbred races during the course of a single racing program.
b) Organization licensees may request wagering on additional races. In acting on such requests, the Board shall consider the effect of extra races on state revenue and on track and state employees, and shall consider the availability of horses.

Section 405.100 Ticket Windows

a) No pari-mutuel tickets shall be sold except through windows properly designated by signs showing the type of tickets sold at that particular window.
b) Where a computerized sell/pay totalizator system is used, no pari-mutuel tickets shall be issued except through teller windows clearly designated by number. Such numbers shall be prominently displayed to the wagering public. At teller windows where special or limited teller service is offered, those windows shall be properly designated by signs.

Section 405.110 Sale of Pari-Mutuel Tickets

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a) No pari-mutuel tickets shall be sold on any race prior to 30 minutes before scheduled offtime of that race, with the following exceptions:
   1) Daily double tickets may be sold one hour prior to post time of the first race, and, on days where a double header program has been approved, daily double tickets may be sold on completion of the ninth race of the first racing card. Further, daily double tickets may be sold one and a half hours prior to post time on Saturdays, Sundays and holidays.
   2) Ninth or tenth race trifecta tickets may be sold on completion of the fifth race.
b) The provisions of this rule shall not apply at a meeting employing a computerized sell/pay totalizator system.
c) Any other organization licensee who employs electric totalizator equipment known as the duplex system manufactured by American Totalisator Company, or any other comparable system performing similar functions and manufactured by another person, firm or corporation, may petition the Board for a waiver of this rule. In considering such petitions, the Board shall consider custom and tradition in the geographic area in which the meet is to be conducted, the effect of pre-selling on revenue to the State of Illinois and on the public. Petitions for a waiver of this rule must clearly detail the pre-sale plan proposed by the organization licensee.

Section 405.120 Minimum Wager Prices

a) The minimum pari-mutuel wager for win, place or show shall be $2 unless otherwise approved by the Board. The minimum pari-mutuel wager for all other pools shall not exceed $3, nor be less than $1, unless otherwise approved by the Board.
b) All inter-track wagering facilities shall establish and maintain minimum pari-mutuel wager prices that are the same as those offered by the organization licensee providing the simulcast.
c) All organization, intertrack and intertrack location licensees shall offer the same types of pari-mutuel wagers and minimum pari-mutuel prices at both manned and unmanned wagering terminals.
d) All intertrack wagering facilities shall offer the same pari-mutuel pools as offered by the organization providing the simulcast.

Section 405.130 Minimum Pay-Off - Minus Pools-Surcharges

In the event there is insufficient money available in the net pari-mutuel pool to return $2.20 on each winning $2 wager, the minimum payoff by the organization licensee shall be $2.10. In the event of a minus pool, any deficiencies shall be paid from the organization licensee's share of the pari-mutuel commission. The applicable surcharges as established in Sections 26(h)(10), 26.1 and 26.2 of the Horse Racing Act of 1975, as amended, imposed on winning wagers on parimutuel pools at organization licensee facilities shall not be deducted if it would result in a minimum payoff of less than $2.10 on a

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$2.00 wager.

Section 405.140 Payments

a) If a horse wins and there is no money wagered on him to win, the win pool shall be apportioned among the holders of win tickets on the horse next in the order of the official finish.
b) If no money has been wagered to place on a horse which is placed first or second in a race, the place pool for that race shall be apportioned among the holders of the place tickets on the other horse which was placed first or second.
c) If no money has been wagered to show on a horse which has placed first, second or third in a race, the show pool in that race shall be apportioned among the holders of show tickets on the other horses which are placed first, second or third in that race.
d) If only two horses finish in any one race, the show pool shall be figured the same as the place pool and the monies apportioned to the holders of show tickets on the two finishing horses. If only one horse finishes in any one race, all three pools shall be figured separately as straight pools and all the monies shall be awarded to the ticket holders of the finishing horse. If no horse finishes the race, then the entire amount wagered in all pools shall be refunded to all ticket holders.
e) If two horses finish in a dead heat for first place, the division of the money in the win pool is between the two dead heaters according to their proportionate shares in the pool.
f) If two horses finish in a dead heat for second place, the division is made as follows: there shall be allotted to the pool of the winner of the race one-half of the place pool and the two dead heaters one-half each of the remaining half of the place pool.
g) If two horses coupled in the betting as an "entry" or the "field" finish first and second, first and third, or second and third, the division of the net show pool shall be as follows: two-thirds of the net show pool shall be allotted to the pool of the entry and the balance of one-third to the other horse.
h) If one horse of an entry or field finishes first or second and the other part of the same entry or field finishes in a dead heat for third with another horse, the division of the net show pool shall be as follows: one-half of the pool to the entry, one-third to the other first or second place finisher, and one-sixth to the horse finishing in the dead heat.
i) If the entry or field horses finish first, second and third, the entire money in each pool goes to the entry or field tickets, no other tickets participating.

Section 405.150 Report Scratches

The Clerk of the Scales (thoroughbred) or the paddock judge (harness) shall

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immediately report all scratches to the Mutuel Manager.

Section 405.160 Number of Pools

a) If less than six betting interests are scheduled to start in a race, the Mutuel Manager, after notification to the State Steward, shall be permitted to prohibit show wagering on that race.
b) If less than five betting interests are scheduled to start in a race, the Mutuel Manager, after notification to the State Steward, shall be permitted to prohibit both place and show wagering on that race.
c) If less than three betting interests are scheduled to start in a race, the Mutuel Manager, after notification to the State Steward, shall be permitted to prohibit wagering on that race.
d) If, in the opinion of the Mutuel Manager, a particular horse is so overwhelmingly superior to the other horses in a race that permitting wagering on that horse would cause financial loss which the organization licensee could not sustain, he may ask the State Steward for permission to prohibit wagering on that particular horse or entry. The State Steward shall grant such request if he concurs with the opinion of the Mutuel Manager.
e) Such notification shall be made, and such consent shall be sought, after the entries are closed on the day previous to that in which said horses are to compete. Such exclusions, if approved by the state steward, shall be clearly indicated on the program and horses excluded shall be numbered so as to in no way infer that they are coupled in the field. Horses once excluded from the betting shall remain excluded during the day or race in which they are scheduled to start.

Section 405.180 Failure of Starting Gate

In a thoroughbred or quarter horse race, if the doors in front of any stall in a mechanically or electrically operated starting gate should fail to open, simultaneously with the other stall doors, thereby preventing a horse from obtaining a fair start wnen the starter dispatches the field, the following shall apply:

If any horse is so prevented from starting, the entire amount in all pools wagered on that horse shall be promptly refunded. However, there shall be no refund if the horse is part of an entry or field.

Section 405.190 Horses Scratched

Unless otherwise provided in Board rules, a refund, at face value, shall be made to all holders of pari-mutuel tickets bearing the numbers of the horses which have been scratched, withdrawn, dismissed or declared non-starters, or have been in a race in which no horse finished. No such refund shall be made if the scratched, withdrawn, dismissed or declared non-starter horse is part of an entry or field.

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Section 405.200 "Official" Sign Final

Any ruling of the stewards with regard to the award of purse money made after the "official" sign has been posted shall have no bearing on the mutuel pay-off.

Section 405.210 Minors Barred

No organization licensee shall permit any minor to purchase or cash pari-mutuel tickets, nor shall any minor be permitted at a mutuel window at any time.

Section 405.220 Lost Tickets

No claims for lost pari-mutuel tickets shall be considered.

Section 405.230 Mutilated or Altered Tickets

No mutilated or altered pari-mutuel ticket that is not easily identifiable as being a valid ticket shall be accepted for payment.

Section 405.240 Information Window

Each organization licensee shall provide an information and/or complaint window where complaints may be made by members of the public. A current set of all Board rules regarding the conduct of pari-mutuel wagering shall be available for public inspection during racing hours at every such window.

Section 405.250 System Failure

Any failure of video or audio equipment at any facility shall be reported immediately to the state stewards at the host track and the general manager at all affected facilities. The general manager shall file a written report with the State Director of Pari-Mutuels no later than 7 days thereafter detailing the reason for the failure.

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NOTICE OF PROPOSED RULE

1) Heading of the Part: Pari-Mutuels

2) Code Citation: 11 Ill. Adm. Code 300

3)

Section Numbers:	Proposed Action:
300.10	New Section
300.20	New Section
300.30	New Section
300.40	New Section
300.50	New Section
300.60	New Section
300.70	New Section
300.80	New Section
300.90	New Section
300.100	New Section

4) Statutory Authority: 230 ILCS 5

5) A Complete Description of the Subjects and Issues Involved: These rules outline pari-mutuel wagering. These rules incorporate the Association of Racing Commissioners International model rules for wagering, and include rules describing wagering, scratches, and entries.

6) Will this rulemaking replace any emergency rulemaking currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? No

9) Are there any other proposed rulemakings pending on this part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 W. Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

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NOTICE OF PROPOSED RULE

A) Date rule was submitted to the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) State reasons for this rulemaking if it was not included in either of the two most recent regulatory agendas: This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the Proposed Rule begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULE

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 300
PARI-MUTUELS

Section
300.10 General
300.20 Records
300.30 Pari-Mutuel Tickets
300.40 Pari-Mutuel Wagers
300.50 Pari-Mutuel Races
300.60 Advanced Wagering
300.70 Scratches or Non-Starter
300.80 Pools Dependent Upon Betting Interests
300.90 Minimum Payoff
300.100 Pari-Mutuel Complaints

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 300.10 General

a) No person shall wager after the start of a race.
b) Each licensee shall provide an information window. A complete and current Board rulebook shall be available for public inspection during racing hours at each information window.
c) No licensee shall permit any minor to purchase or cash pari-mutuel tickets. Minors shall be prohibited from all mutuel windows.
d) Each mutuel department employee shall wear on his/her person, in plain view, a name badge.
e) A summary explanation of pari-mutuel wagering shall be published in the official program for each race program. The official Board rules relative to each type of pari-mutuel pool offered shall be published in the official program on each day that type of pool is offered.
f) Unless expressly noted within specific wagering pool rules, refunds shall be granted on all valid wagers when a race is canceled or declared "no contest".
g) The host track and/or organization licensee shall be responsible for the closing of wagering on each contest after which time no pari-mutuel wagers shall be accepted for that contest. Each licensed facility not utilizing the host track's totalizator vendor shall be

responsible for the close of wagering at its own facility.

h) The host track and/or organization licensee shall have a qualified individual representing its pari-mutuel department at the totalizator computer system center (hub) at all times it hosts the pari-mutuel system of wagering.

i) The organization licensee and/or Illinois host track shall provide, electronically within 24 hours, a summary of pari-mutuel operations report, in a format prescribed by the State Director of Mutuels, to the Board as the original record of wagering activities on that race program.

Section 300.20 Records

Each licensee shall maintain records of all wagering including the opening line, subsequent odds fluctuation, the amounts wagered on each betting interest and such other information as may be required. Such records shall be delivered to the Board upon request.

Section 300.30 Pari-Mutuel Tickets

a) A valid pari-mutuel ticket shall contain the following imprinted information:

1) the name of the organization or track conducting the races;
2) the name of the licensee issuing the ticket;
3) the name of the Illinois host track;
4) a unique identifying number or code;
5) identification of the terminal at which the ticket was issued;
6) a designation of the performance for which the wagering transaction was issued;
7) the contest number for which the pool is conducted;
8) the type or types of wagers represented;
9) the number or numbers representing the betting interests for which the wager is recorded; and
10) the amount or amounts of the contributions to the pari-mutuel pool or pools for which the ticket is evidence.

b) To prevent re-entry in the pari-mutuel system for duplicate cashing, each cashed or refunded ticket shall be marked to indicate that it has been cashed or refunded. The manner in which cashed or refunded tickets are marked shall not destroy the identity of the ticket.

c) No claims for lost pari-mutuel tickets shall be considered. Mutilated or altered pari-mutuel tickets shall not be accepted for payment.

Section 300.40 Pari-Mutuel Wagers

a) The minimum pari-mutuel wager for win, place or show shall be $2, unless otherwise approved by the Board. The minimum pari-mutuel wager for all other pools shall not exceed $3, nor be less than $1, unless otherwise approved by the Board.

b) All organization, intertrack and intertrack wagering location licensees shall offer the same types of pari-mutuel pools and minimum pari-mutuel prices at both manned and unmanned terminals, unless specifically restricted by Board rule (e.g., tickets may not be exchanged at unmanned ticket issuing machines).

c) All intertrack wagering facilities shall establish and maintain minimum purchase prices of pari-mutuel wagers that are the same as those offered by the organization licensee providing the simulcast.

d) All intertrack wagering facilities shall offer the same pari-mutuel pools as offered by the organization providing the simulcast.

Section 300.50 Pari-Mutuel Races

a) Wagering shall be prohibited on more than 11 harness races during the course of a single racing program, unless permission to wager on additional races has been granted by the Board.

b) Wagering shall be prohibited on more than 10 thoroughbred races during the course of a single racing program, unless permission to wager on additional races has been granted by the Board.

Section 300.60 Advanced Wagering

a) A licensee may permit advanced wagering on races up to two days prior to the day the race occurs.

b) The host track and/or organization licensee shall submit to the State Pari-Mutuel Auditor a totalizator system report reflecting any advanced wagers from previous days to be added to that day's pari-mutuel pools.

Section 300.70 Scratches or Non-Starter

a) In the event a betting interest is scratched, all wagers including the scratched betting interest shall be refunded, unless otherwise provided in Board rules (e.g., second half daily double grants a consolation payoff to wagers which include scratched betting interests).

b) In the event the doors in front of a stall of the starting gate, in thoroughbred or quarter horse racing, should fail to open, thereby preventing a horse from starting, all wagers including the horse shall be refunded. There shall be no refund if the horse is part of a coupled entry or mutuel field.

Section 300.80 Pools Dependent Upon Betting Interests

Unless otherwise provided in Board rules, the organization licensee may prohibit:

a) show wagering on all contests with five or fewer betting interests.

b) place wagering on any contest with four or fewer betting interests.

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NOTICE OF PROPOSED RULE

c) win, quinella or perfecta wagering on any contest with three or fewer betting interests.

Section 300.90 Minimum Payoff

a) In the event there is insufficient money available in the net pari-mutuel pool to return $2.20 on each winning $2 wager, the minimum payoff by the organization licensee shall be $2.10.
b) In the event of a minus pool, any deficiencies shall be paid from the organization licensee's share of the pari-mutuel commission.
c) The applicable surcharges as established in the Act, imposed on winning wagers on pari-mutuel pools at organization licensee facilities shall not be deducted if it would result in a minimum payoff of less than $2.10 on a $2 wager.

Section 300.100 Pari-Mutuel Complaints

a) When a patron makes a complaint regarding the pari-mutuel department to any licensee, the licensee shall issue a complaint report, detailing:
   1) the name of the complainant;
   2) the nature of the complaint;
   3) the name of the persons, if any, against whom the complaint was made;
   4) the date of the complaint;
   5) the action taken, if any, or proposed action to be taken by the licensee.
b) The organization licensee shall submit every complaint report to the State Director of Mutuels within 48 hours after the complaint is made.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Perfecta

2) Code Citation: 11 Ill. Adm. Code 305

3)

Section Numbers:	Proposed Action:
305.10	New Section
305.20	New Section
305.30	New Section
305.40	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes rules for the Perfecta wager. These rules incorporate the Association of Racing Commissioners International model rules for the perfecta. These rules outline pool distributions, dead heats and scratches.

6) Will these proposed rules replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department ofCommerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

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NOTICE OF PROPOSED RULES

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 305
PERFECTA

Section
305.10 Definition
305.20 Pool Distribution
305.30 Dead Heats
305.40 Scratches

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 305.10 Definition

The perfecta requires the selection of the first two finishers, in their exact order, for a single designated contest. Perfecta wagers shall be calculated in an entirely separate pool.

Section 305.20 Pool Distribution

The net perfecta pool shall be distributed to winning wagers in the following manner, based upon the official order of finish:

a) If contestants of a coupled entry or mutuel field finish as the first two finisners, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest; otherwise
b) As a single price pool to those whose combination finished in correct sequence as the first two betting interests; but if there are no such wagers, then
c) As a profit split to those whose combination included either the first place betting interest to finish first or the second place betting interest to finish second; but if there are no such wagers, then
d) As a single price pool to those whose combination included the one covered betting interest to finish first or second in the correct sequence; but if there are no such wagers, then
e) The entire pool shall be refunded on perfecta wagers for that contest.

Section 305.30 Dead Heats

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a) If there is a dead heat for first involving:
   1) contestants representing the same betting interest, the perfecta pool shall be distributed as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest.
   2) contestants representing two or more betting interests, the perfecta shall be distributed as a profit split.
b) If there is a dead heat for second involving contestants representing the same betting interests, the perfecta shall be distributed as if no dead heat occurred.
c) If there is a dead heat for second involving contestants representing two or more betting interests, the perfecta pool shall be distributed in the following manner:
   1) As a profit split to those combining the first place betting interest with any of the betting interests involved in the dead heat for second; but if there are no such wagers, then
   2) As a single price pool to those combining the first place betting interest for first place and with the one covered betting interest involved in the dead heat for second; but if there are no such wagers, then
   3) As a profit split to those wagers correctly selecting the winner for first place and those wagers selecting any of the dead-heated betting interests for second place; but if there are no such wagers, then
   4) The entire pool shall be refunded on perfecta wagers for that contest.

Section 305.40 Scratches

a) In the event any contestant, which is not part of an entry or field, is scratched, all wagers including the scratched betting interests shall be refunded.
b) In the event any contestant in a coupled entry or mutuel field is scratched, the remaining contestant(s) in that coupled entry or mutuel field shall remain valid betting interests and no refunds shall be granted.
c) In the event all contestants within a coupled entry or mutuel field are scratched, all wagers including such betting interests shall be refunded.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Perfecta or Exacta

2) Code Citation: 11 Ill. Adm. Code 408

3) Section Numbers: Proposed Action:

408.10	Repeal
408.30	Repeal
408.40	Repeal
408.50	Repeal
408.60	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the Board's current Perfecta/Exacta Rules. New rules establishing the Perfecta wager are proposed.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601 (312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 408
PERFECTA OR EXACTA (REPEALED)

Section
408.10 Perfecta or Exacta
408.20 Entries and Fields Prohibited (Repealed)
408.30 No Winning Combination
408.40 Dead Heat for First or Second
408.50 Dead Heat for Second -- No Winning Combination
408.60 No Winning Ticket

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 4 Ill. Reg. 38, p. 187, effective September 8, 1980; codified at 5 Ill. Reg. 10893; amended at 9 Ill. Reg. 9161, effective June 4, 1985; amended at 14 Ill. Reg. 17651, effective October 16, 1990; repealed at 19 Ill. Reg. _____, effective _____.

Section 408.10 Perfecta or Exacta

A perfecta or exacta wager combines two horses in a single race, selecting the horse which will finish first and the horse which will finish second in that race in the official order of finish. All perfecta or exacta wagers are calculated in a separate pool.

Section 408.30 No Winning Combination

If no ticket is sold on the winning combination, the net pool shall be distributed equally between holders of tickets selecting the winning horse to finish first and holders of tickets selecting the second place horse to finish second.

Section 408.40 Dead Heat for First or Second

a) In case of a dead heat between two horses for first place, the net pool shall be calculated and distributed as a place pool to holders of tickets of the winning combination(s). Example: If numbers 2 and 5 dead heat for win, the winning combinations would be 2-5 and 5-2.
b) In case of a dead heat between two horses for second place, the pool shall be figured as a place pool, the holders of tickets combining the winning horse and the two horses finishing second participating in the payoff. Example: If number 2 wins with numbers 5 and 6 in dead heat

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NOTICE OF PROPOSED REPEALER

for second, the winning combinations would be 2-5 and 2-6.

Section 408.50 Dead Heat for Second -- No Winning Combination

a) If there is a dead heat for second place, if no ticket is sold on one of the two winning combinations, the entire net pool shall be calculated as a win pool and distributed to those holding tickets on the other winning combination. Example: If number 2 won and numbers 5 and 6 were in dead heat for second, 2-5 and 2-6 would be the winning combinations. However, if no ticket was sold with the 2-5 combination the net pool would be distributed to holders of the 2-6 combination.

b) If no tickets combine the winning horse with either of the place horses in the dead heat, the pool shall be calculated and distributed as a place pool to holders of tickets representing any interest in the net pool. Example: If number 2 won and numbers 5 and 6 were dead heat for second, 2-5 and 2-6 would be the winning combinations. However, if no ticket was sold with the 2-5 or 2-6 combinations, the net pool would be distributed to holders of any ticket with 2 in the win position as part of the combination with any other number (2-1, 2-3, 2-4, 2-7, 2-8 of an eight horse field) and to holders of any ticket with 5 or 6 in the place position with any other number (1-5, 3-5, 4-5, 6-5, 7-5, 8-5, 1-6, 3-6, 4-6, 5-6, 7-6, 8-6 of an eight horse field).

Section 408.60 No Winning Ticket

If no ticket is sold that would require distribution of a Perfecta or Exacta pool to winners as heretofore defined, the organization licensee shall make a complete and full refund of the Perfecta or Exacta pool.

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NOTICE OF PROPOSED REPEALER

1) Heading of the Part: PPT Rules

2) Code Citation: 11 Ill. Adm. Code 418

3) Section Numbers: Proposed Action:

418.10	Repeal
418.20	Repeal
418.30	Repeal
418.40	Repeal
418.50	Repeal
418.60	Repeal
418.65	Repeal
418.70	Repeal
418.80	Repeal
418.90	Repeal
418.95	Repeal
418.110	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the Board's current PPT rules. This wager type will no longer be available to patrons.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: All comments should be submitted in writing, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601, (312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 418
PPT RULES (REPEALED)

Section
418.10 PPT Defined
418.20 Separate Pool
418.30 Entries and Fields
418.40 Dead Heats
418.50 No Winning Combination
418.60 Mandatory Distribution
418.65 Calendar Year Restriction
418.70 One or Two Races Cancelled
418.80 Refunds
418.90 Name and Notice
418.95 Only One PPT Per Program
418.100 Limitation on Multiple Wagers Does not Apply (Repealed)
418.110 Disclosure

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 10 Ill. Reg. 5834, effective March 31, 1986; amended at 15 Ill. Reg. 12003, effective August 12, 1991; repealed at 19 Ill. Reg. _____, effective _____.

Section 418.10 PPT Defined

A PPT (perfecta, perfecta, trifecta) wager combines the first two finishers of a designated race, the first two finishers of another designated race, and the first three finishers of a third race, in exact order. Thus, each wager consists of seven selections. "PPT races" shall mean the three races designated for the PPT wager.

Section 418.20 Separate Pool

All PPT wagers shall be calculated in a pool that is entirely separate from all other wagering pools.

Section 418.30 Entries and Fields

Entries and fields may race in PPT races, unless they are prohibited by other Board rules relating to other types of multiple wagers.

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NOTICE OF PROPOSED REPEALER

Section 418.40 Dead Heats

If there is a dead heat for any of the winning finishing positions in the PPT races, all winning combinations shall be given the same payoff. Thus, the PPT pool is different from other wagering pools in which there is a separate payoff for each winning combination.

Section 418.50 No Winning Combination

If there is no ticket sold selecting the exact winning PPT combinations, then the net pool shall be carried forward as the "jackpot" and shall be added to the net pool on the next PPT wager.

Section 418.60 Mandatory Distribution

At the last program of a meeting or the last program during consecutive race meetings of the same type of racing at a race track or within one week after the jackpot exceeds one million dollars, a mandatory distribution shall be declared by the organization licensee and shall be advertised to the public. When a mandatory distribution is required, all of the jackpot shall be distributed even if no ticket combines the exact winning combination so long as all three of the PPT races are contested. In this case, the winning tickets shall be those combining the most consecutive finishers in the winning combination, starting with the winner of the first PPT race. For example, if the exact winning combination is 1-2-1-2-1-2-3 but no such combination is sold, then the winners shall be 1-2-1-2-1-2-ALL (and not 3-2-1-2-1-2-3).

Section 418.65 Calendar Year Restriction

If the PPT is offered at a race track at which the last race meeting or meetings of the calendar year are conducted and at which there will be no racing of the same type within the first 10 days of the following year, the general manager of the organization licensee shall communicate with the Executive Director of the Board no later than four racing days prior to the end of the meeting. The purpose of such communication shall be to discuss the possibility that inclement weather may force cancellation of racing at the track during the last day or days of the meeting. The Board recognizes that precise weather forecasting is not possible but expects that the jackpot will be distributed prior to the end of the meet. If the general manager and the Executive Director can not agree about the weather, the Executive Director shall have the power to order a mandatory distribution prior to the last racing day of the calendar year.

Section 418.70 One or Two Races Cancelled

If one or two PPT races are cancelled, then all horses in the cancelled race will be considered winners for the PPT pool. If there is then a winning PPT wager, the PPT pool generated that day shall be distributed and the jackpot

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NOTICE OF PROPOSED REPEALER

shall be carried forward until the next racing program.

Section 418.80 Refunds

a) If any horse or horses entered in any of the PPT races are scratched, excused by the stewards, or declared a non-starter before the first race of the PPT is run, all wagers including such horse or horses shall be deducted from the PPT pool and the money refunded to the purchaser or purchasers.
b) After the first race of the PPT races has been run, if any horse or horses are scratched, excused by the stewards, or prevented from obtaining a fair start or racing because of the failure of the stall doors or the starting gate to open in either of the remaining PPT races, all tickets including such horse or horses shall remain in the pool until prices are official for the PPT. Then only scratches with winners, but no losers, will be refunded. In other words if a ticket withscratches selects a loser, it gets no refund.
c) If a ticket contains a scratched horse or horses but qualifies to win according to Sections 418.60 and 418.70 above, the ticket shall be treated as a winner, not a refund.

Section 418.90 Name and Notice

The organization licensee may give a different name to the PPT form of wagering but shall notify the Board of such choice of names. Each of the PPT races shall be clearly designated in the program, and PPT tickets shall be clearly marked to indicate the type of wager.

Section 418.95 Only One PPT Per Program

An organization licensee may offer only one PPT wager per racing program.

Section 418.110 Disclosure

No person shall disclose the number of PPT tickets sold or the number or amount of tickets selecting winners of the PPT races prior to the time that the stewards have determined the last of the PPT races on that program to be official.

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NOTICE OF PROPOSED RULES

1) Heading of the Part: Quinella

2) Code Citation: 11 Ill. Adm. Code 304

3) Section Numbers: Proposed Action:

304.10	New Section
304.20	New Section
304.30	New Section
304.40	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes rules for quinella wagers. These rules incorporate the Association of Racing Commissioners International model rules for quinella. Rules regarding pool distribution, dead heats and scratches are included.

6) Will these proposed rules replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed rules contain incorporation by reference? No

9) Are there any other proposed rules pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 304
QUINELLA

Section
304.10 Definition
304.20 Pool Distribution
304.30 Dead Heats
304.40 Scratches

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 304.10 Definition

The Quinella requires selection of the first two finishers, irrespective of order, for a single designated contest. The quinella wager shall be calculated in an entirely separate pool.

Section 304.20 Pool Distribution

The net quinella pool shall be distributed to winning wagers in the following manner, based upon official order of finish:

a) If the contestants of a coupled entry or mutuel field finish as the first two finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest; otherwise
b) As a single price pool to those whose combination finished as the first two betting interests; but if there are no such wagers, then
c) As a profit split to those whose combination included either the first or second place finisher; but if there are no such wagers, then
d) As a single price pool to those whose combination included the one covered betting interest included within the first two finishers; but if there are no such wagers, then
e) The entire pool shall be refunded on quinella wagers for that contest.

Section 304.30 Dead Heats

a) If there is a dead heat for first involving:
   1) contestants representing the same betting interest, the quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest.
   2) contestants representing two betting interests, the quinella pool shall be distributed as if no dead heat occurred.
   3) contestants representing three or more betting interests, the quinella pool shall be distributed as a profit split.
b) If there is a dead heat for second involving contestants representing the same betting interest, the quinella pool shall be distributed as if no dead heat occurred.
c) If there is a dead heat for second involving contestants representing two or more betting interests, the quinella pool shall be distributed to wagers in the following manner:
   1) As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one covered combination, then
   2) As a single price pool to those combining the winner with the one covered betting interest involved in the dead heat for second; but if there are no such wagers, then
   3) As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, then
   4) As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second; but if there are no such wagers, then
   5) The entire pool shall be refunded on quinella wagers for that contest.

Section 304.40 Scratches

a) In the event any contestant, which is not part of an entry or field, is scratched, all wagers including the scratched betting interests shall be refunded.
b) In the event any contestant in a coupled entry or mutuel field is scratched, the remaining contestant(s) in that coupled entry or mutuel field shall remain valid betting interests and no refunds shall be granted.
c) In the event all contestants within a coupled entry or mutuel field are scratched, all wagers including such betting interests shall be refunded.

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NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Quinella

2) Code Citation: 11 Ill. Adm. Code 407

3) Section Numbers: Proposed Action:

407.10	Repeal
407.30	Repeal
407.40	Repeal
407.50	Repeal
407.60	Repeal
407.70	Repeal
407.80	Repeal
407.90	Repeal
407.100	Repeal
407.110	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the quinella rules. Quinella rules are proposed in a new Part.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Dept., 100 W. Randolph, Ste. 11-100, Chicago, IL 60601

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 407
QUINELLA (REPEALED)

Section

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 4 Ill. Reg. 38, p. 187, effective September 8, 1980; codified at 5 Ill. Reg. 10891; amended at 9 Ill. Reg. 9163, effective June 4, 1985; amended at 14 Ill. Reg. 17659, effective October 16, 1990; repealed at 19 Ill. Reg. _____, effective _____.

Section 407.10 Winning Quinella Combination

The winning Quinella combination shall be the first two horses to finish the race. The order in which the horses finish is immaterial. All tickets on the Quinella will be calculated in an entirely separate pool.

Section 407.30 Individual Winners

If there are no tickets sold on the winning combinations in a Quinella Race, all Quinella tickets bearing the number of the individual win horse and all Quinella tickets bearing the number of the individual place horse shall be deemed winning tickets and the payoff shall be calculated as a place pool.

Section 407.40 No Winners or Win Tickets

If there are no tickets sold on the winning combination in a Quinella race and if there are no Quinella tickets sold with the number of the individual win horse, all Quinella tickets bearing the number of the individual place horse shall be deemed winning tickets and the payoff shall be calculated as a win

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pool.

Section 407.50 No Winners or Place Tickets

If there are no tickets sold on the winning combination in a Quinella race and if there are no Quinella tickets sold bearing the number of the individual place horse, all Quinella tickets bearing the number of the individual win horse shall be deemed winning tickets and the payoff shall be calculated as a win pool.

Section 407.60 Quinella Refund

If there are no tickets sold on the winning combinations in a Quinella race and if there are no Quinella tickets sold bearing the number of the individual win horse and if there are no Quinella tickets sold bearing the number of the individual place horse, the Quinella shall be deemed "no race" and all monies in the Quinella pool shall be promptly refunded.

Section 407.70 Only One Horse Finishes

If only one horse finishes in a Quinella race, the total amount wagered is calculated as a win pool with those who have picked that one horse participating in the pool.

Section 407.80 Dead Heat for Win

If there is a two horse dead heat for win in a Quinella race, the two horses involved in the dead heat shall be the winning Quinella combination.

Section 407.90 Multiple Dead Heat

If a multiple dead heat for win results, all horses involved in the dead heat shall be the winning combinations. The payoffs figured accordingly. Example: If number 1, 3, 5 and 7 dead heat for win, the winning Quinella combinations would be 1-3, 1-5, 1-7, 3-5, 3-7 and 5-7. The net pool, after deducting the amounts wagered on the winning combinations will be equally distributed in payoff calculations on the winning combinations.

Section 407.100 Dead Heat for Place

If there is a two horse dead heat for place in a Quinella race, the total pool is calculated as a place pool.

Section 407.110 Multiple Dead Heat for Place

If a multiple dead heat for place results in a Quinella race, all combinations coupling the winning horse with the individual place horses shall be winners of the Quinella race and payoffs calculated accordingly.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Simulcast Requirements

2) Code Citation: 11 Ill. Adm. Code 322

3)

Section Numbers:	Proposed Action:
322.10	New Section
322.20	New Section
322.30	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes requirements for simulcasting race programs. Rules regarding contracts, duties of the host and duties of the receiving facilities are detailed.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601 (302)814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to

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NOTICE OF PROPOSED RULES

substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 322
SIMULCAST REQUIREMENTS

Section
322.10 General
322.20 Duties of the Organization Licensee
322.30 Duties of the Wagering Licensee

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 322.10 General

a) All executed contracts governing participation in any intrastate and/or interstate simulcasting programs shall be submitted to the Board within 48 hours of the first simulcast.
b) Each Illinois host track and non-host track conducting a supplemental simulcast shall notify the State Director of Mutuels and the on-site State pari-mutuel auditor, in writing, of its designated simulcast program. Notification shall be made at least 48 hours prior to any wagers being accepted on such simulcast program. Notification shall include:
   1) each racetrack providing a race or races for the simulcast program.
   2) the number of races provided by each racetrack.
   3) the official scheduled post time of each race in Central Time Zone (CST or CDT).
   4) the method of conducting a pari-mutuel system of wagering on each race (i.e., interstate common pool, separate Illinois pool, net pool pricing).

Section 322.20 Duties of the Organization Licensee

a) Every organization licensee simulcasting its performance, if requested, may contract with an authorized receiver for the purpose of providing authorized users its simulcast.
b) An organization licensee is responsible for content of the simulcast and shall use all reasonable effort to present a simulcast which offers the viewers an exemplary depiction of each performance.

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c) Each simulcast shall contain in its video content a digital display of actual time of day, the name of the host facility from where it emanates, the number of the contest being displayed, and any other relevant information available to patrons at the host facility.
d) The host association shall maintain such security controls, including encryption over its uplink and communications systems, as directed or approved by the Board.

Section 322.30 Duties of the Wagering Licensee

a) A wagering licensee shall provide:
   1) adequate transmitting and receiving equipment of acceptable broadcast quality, which shall not interfere with the closed circuit TV system of the host association for providing any host facility patron information.
   2) pari-mutuel terminals, pari-mutuel odds displays, modems and switching units enabling pari-mutuel data transmissions, and data communications between the host and guest sites.
   3) a voice communication system between guest site and the Illinois host site providing timely voice contact among the Board designees, stewards and pari-mutuel departments.
b) The host track and all licensees shall conduct pari-mutuel wagering pursuant to applicable Board rules.
c) Not less than 30 minutes prior to the commencement of transmission of each simulcast, the guest site shall initiate a test program of its downlink, decoder and tote data communications to assure proper operation of the system.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Supertrifecta

2) Code Citation: 11 Ill. Adm. Code 309

3) Section Numbers: Proposed Action:

309.10	New Section
309.20	New Section
309.30	New Section
309.40	New Section
309.50	New Section
309.60	New Section
309.70	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes the Supertrifecta wager. These rules incorporate the Racing Commissioners International model rules outlining pool distribution, dead heats, scratches, and exchange.

6) Will these proposed rules replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312)814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Department of Commerce and Community Affairs: June 23, 1995

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B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 309
SUPERTRIFECTA

Section
309.10 Definition
309.20 General Provisions
309.30 Pool Distribution
309.40 Dead Heats
309.50 Scratches
309.60 Races Canceled
309.70 Mandatory Distribution

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 309.10 Definition

The supertrifecta requires selection of the first three finishers, in their exact order, in the first of two designated contests and the first four finishers, in exact order, in the second of two designated contests. The supertrifecta wager shall be calculated in an entirely separate pool.

Section 309.20 General Provisions

a) Unless expressly noted in this Part, all trifecta rules apply.
b) Supertrifecta wagers shall not be sold in denominations of less than $1.
c) The supertrifecta rules shall be prominently displayed in the official program on each day the supertrifecta wager is offered.
d) Any organization licensee that elects to offer a supertrifecta wager shall notify the State Director of Mutuels, in writing, at least 30 days prior to the start of its meet.

Section 309.30 Pool Distribution

The daily net pool and any carryover pool shall be distributed as a single price pool to those whose combination finished in correct sequences as the first three betting interests in the first supertrifecta contest and the first four finishers, in correct sequence, in the second supertrifecta contest; but

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if there are no such wagers, then the daily net pool shall be combined with the carryover pool and carried forward to the next consecutive supertrifecta wager.

Section 309.40 Dead Heats

If there is a dead heat or multiple dead heats in either the first or second supertrifecta contest, all supertrifecta wagers selecting the correct order of finish, including any dead-heated contestant, shall be considered winners and the pool shall be distributed as a single price pool.

Section 309.50 Scratches

a) Should a betting interest in either supertrifecta contest be scratched prior to the first supertrifecta contest, those wagers including the scratched betting interest shall be refunded.
b) Should a betting interest in the second supertrifecta contest be scratched after the first supertrifecta contest, wagers including the scratched betting interest shall be withdrawn from the supertrifecta pool and made part of the consolation pool. The consolation pool shall be distributed to those wagers including the scratched betting interest as a profit split.
c) If, due to a late scratch, the number of betting interests in the second supertrifecta contest is reduced to fewer than the minimum, the daily net supertrifecta pool shall be distributed as a single price pool to those who correctly selected the first supertrifecta contest. In the event there are no wagers correctly selecting the first supertrifecta contest, the supertrifecta pool shall be added to any existing carryover.

Section 309.60 Races Canceled

a) If either of the supertrifecta contests are canceled prior to the first supertrifecta contest, the entire supertrifecta pool shall be refunded on supertrifecta wagers for that program.
b) If the second supertrifecta contest is canceled after the first supertrifecta contest is run, the supertrifecta pool shall be distributed as a single price pool to those who selected the first three finishers, in correct sequence, in the first supertrifecta contest. In the event there are no wagers correctly selecting the first supertrifecta contest, the supertrifecta pool shall be added to any existing carryover.

Section 309.70 Mandatory Distribution

a) The supertrifecta carryover shall be designated for distribution on the last program of a race meeting or the last program during a consecutive race meeting of the same type of racing at the same track and shall be advertised to the public.

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b) In the event a mandatory distribution is required, the following precedence will be followed in determining winning wagers for the second supertrifecta contest, based upon the official order of finish:
   1) As a single price pool to those who selected the first three finishers in exact order; but if there are no such wagers, then
   2) As a single price pool to those whose combination correctly selected the first and second place finishers in correct order; but if there are no such wagers, then
   3) As a single price pool to those whose combination correctly selected the first place betting interest; but if there are no such wagers, then
   4) As a single price pool to those whose combination correctly selected the second and third place finishers in exact order; but if there are no such wager, then
   5) As a single price pool to those whose combination correctly selected the second place betting interest; but if there are no such wagers, then
   6) As a single price pool to those whose combination correctly selected the third and fourth place betting interest; but if there are no such wagers, then
   7) As a single price pool to those whose combination correctly selected the third place betting interest; but if there are no such wagers, then
   8) As a single price pool to those whose combination correctly selected the fourth place betting interest; but if there are no such wagers, then
   9) As a single price pool to those whose combination correctly selected the first three finishers in the first supertrifecta contest, but if there are no such wagers, then
   10) As a single price pool to those whose combination correctly selected the first and second place finishers in the first supertrifecta contest; but if there are no such wagers, then
   11) As a single price pool to those whose combination correctly selected the first place finisher in the first supertrifecta contest; but if there are no such wagers, then
   12) As a single price pool to holders of valid supertrifecta wagers.

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NOTICE OF PROPOSED RULES

1) Heading of the Part: Supertrifecta Exchange

2) Code Citation: 11 Ill. Adm. Code 310

3)

Section Numbers:	Proposed Action:
310.10	New Section
310.20	New Section
310.30	New Section
310.40	New Section
310.50	New Section
310.60	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes the supertrifecta excnange wager. These rules incorporate the Racing Commissioners International model rules regarding pool distribution, dead heats, scratches and carryover pools.

6) Will these proposed rules replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

    Gina DiCaro
    Illinois Racing Board
    Legal Department
    100 West Randolph, Ste. 11-100
    Chicago, IL 60601
    (312) 814-5020

12) Initial Regulatory Flexibility Analysis:

    A) Date rule was submitted to the Department of Commerce and Community Affairs: June 23, 1995

ILLINOIS RACING BOARD

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B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 310
SUPERTRIFECTA EXCHANGE

Section
310.10 Definition
310.20 General Provisions
310.30 Pool Distribution
310.40 Dead Heats
310.50 Scratches
310.60 Races Canceled
310.70 Mandatory Distribution

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 310.10 Definition

The supertrifecta exchange requires selection of the first three finishers, in their exact order, in the first of two designated contests, and the selection of the first four finishers, in their exact order in the second of two designated contests. Each winning wager for the first supertrifecta exchange contest must be exchanged for a free ticket on the second supertrifecta exchange contest in order to remain eligible for the second half supertrifecta exchange contest. Winning first half supertrifecta exchange wagers will receive both an exchange and a monetary payoff. All supertrifecta exchange wagers shall be calculated in an entirely separate pool.

Section 310.20 General Provisions

a) Unless expressly noted in this Part, all trifecta rules shall apply.
b) Supertrifecta exchange tickets shall be sold and exchanged by licensed facilities and at attended ticket-issuing machines. The sale, exchange or transfer of supertrifecta exchange tickets by any other facility or person is prohibited.
c) Supertrifecta exchange wagers shall not be sold in denominations of less than $1.
d) The supertrifecta exchange rules shall be prominently displayed in the official program on each day the supertrifecta exchange wager is offered.
e) If a wagering facility is unable to process wagers on the second

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supertrifecta exchange contest, due to unforeseen problems, including but not limited to totalizator malfunction, natural disaster, electrical failure, holders of winning wagers on the first supertrifecta exchange contest shall be entitled to the monetary value of the winning wager but shall not be eligible for an exchange ticket on the second supertrifecta exchange contest.

f) Any organization licensee who elects to offer a supertrifecta exchange wager shall notify the State Director of Mutuels, in writing, at least 30 days prior to the start of its meet.

Section 310.30 Pool Distribution

a) An organization shall elect a 50% or 75% carryover method prior to the start of its meet. The remaining 50% or 25% shall be the daily net pool.

b) In the first supertrifecta exchange contest, winning wagers and distribution of the daily net pool shall be determined using the following precedence, based upon the official order of finish for the first supertrifecta exchange contest:

1) As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

2) As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

3) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, then

4) The entire supertrifecta exchange pool, for that contest, shall be added to the carryover pool and the second half shall be canceled.

c) If no first half supertrifecta exchange wager selects the first three finishers of that contest in exact order, winning wagers shall not receive any exchange tickets for the second half supertrifecta exchange pool. In such cases, the second half supertrifecta exchange pool shall be retained and added to any existing supertrifecta exchange carryover pool.

d) The carryover pool shall be distributed to winning wagers on the second supertrifecta exchange contest according to the following precedence, based upon the official order of finish for the second supertrifecta exchange contest:

1) As a single price pool to those whose combination finished in correct sequence as the first four betting interests; but if there are no such wagers, then

2) The entire carryover pool for that contest shall be added to any existing carryover and retained for the next consecutive second half supertrifecta exchange pool.

e) If a winning first half supertrifecta exchange wager is not presented

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for payment and exchange prior to the second half supertrifecta exchange contest, the ticket holder shall receive the monetary value associated with the first half supertrifecta exchange pool but forfeits all rights to any distribution of the second half supertrifecta exchange pool.

Section 310.40 Dead Heats

a) If there is a dead heat or multiple dead heats in either the first or second supertrifecta exchange contest, all supertrifecta exchange wagers selecting the correct order of finish, including any dead-heated contestant, shall be considered winners.

b) If there is a dead heat in the first supertrifecta exchange contest, payoffs shall be calculated as a profit split.

c) If there is a dead heat in the second supertrifecta exchange contest, payoffs shall be calculated as a single price pool.

Section 310.50 Scratches

a) Should a betting interest in the first supertrifecta exchange contest be scratched, those wagers including the scratched betting interest shall be refunded.

b) Should a betting interest in the second supertrifecta exchange contest be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second supertrifecta exchange contest, the ticket holder forfeits all rights to the second supertrifecta exchange pool.

c) If, due to a late scratch, the number of betting interests in the second supertrifecta exchange contest is reduced to fewer than the minimum, all exchange tickets and outstanding first half winning wagers shall be entitled to the second half supertrifecta exchange pool for that contest as a single price pool, but not the supertrifecta exchange carryover.

Section 310.60 Races Canceled

a) If either of the supertrifecta exchange contests are canceled prior to the first supertrifecta exchange contest, the entire supertrifecta exchange pool shall be refunded.

b) If the second supertrifecta exchange contest is canceled, all exchange tickets and outstanding first half winning supertrifecta exchange tickets shall be entitled to the daily net supertrifecta exchange pool for that contest as a single price pool, but not the supertrifecta exchange carryover.

Section 310.70 Mandatory Distribution

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a) The supertrifecta exchange carryover shall be designated for distribution on the last program of a race meeting or the last program during a consecutive race meeting of the same type of racing at the same track and shall be advertised to the public.

b) In the event a mandatory distribution is required, the following precedence will be followed in determining winning wagers for the second supertrifecta exchange contest, based upon the official order of finish:

1) As a single price pool to those who selected the first four finishers in exact order; but if there are no such wagers, then

2) As a single price pool to those whose combination correctly selected the first, second and third place betting interests; but if there are no such wagers, then

3) As a single price pool to those whose combination correctly selected the first and second place finishers; but if there are no such wagers, then

4) As a single price pool to those whose combination correctly selected the first place betting interest; but if there are no such wagers, then

5) As a single price pool to those whose combination correctly selected the second, third and fourth place finishers; but if there are no such wagers, then

6) As a single price pool to those whose combination correctly selected the second and third place betting interest; but if there are no such wagers, then

7) As a single price pool to those whose combination correctly selected the second place betting interest; but if there are no such wagers, then

8) As a single price pool to those whose combination correctly selected the third and fourth place betting interest; but if there are no such wagers, then

9) As a single price pool to those whose combination correctly selected the third place betting interest; but if there are no such wagers, then

10) As a single price pool to those whose combination correctly selected the fourth place betting interest; but if there are no such wagers, then

11) As a single price pool to holders of valid exchange tickets.

c) In the event no valid exchange tickets are issued the carryover shall be distributed in the following precedence, based upon the official order of finish:

1) As a single price pool to those whose combination correctly selected the first and second place betting interests in the first supertrifecta exchange contest; but if there are no such wagers, then

2) As a single price pool to those whose combination correctly selected the first place finisher in the first supertrifecta exchange contest; but if there are no such wagers, then

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3) As a single price pool to those holding first half supertrifecta exchange wagers.

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NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Supertrifecta Rules

2) Code Citation: 11 Ill. Adm. Code 421

3) Section Numbers: Proposed Action:

421.10	Repeal
421.20	Repeal
421.30	Repeal
421.40	Repeal
421.50	Repeal
421.60	Repeal
421.70	Repeal
421.80	Repeal
421.90	Repeal
421.100	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals current Supertrifecta rules. New rules establishing the Supertrifecta wager are proposed.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 421
SUPERTRIFECTA RULES (REPEALED)

Section
421.10 Supertrifecta Wager
421.20 Trifecta Rules Shall Apply
421.30 Pool Calculations
421.40 Distribution of Daily Net Pool
421.50 Carryover Pool
421.60 Minimum Field
421.70 Scratches
421.80 Cancellation of Races
421.90 Dead Heats
421.100 Exchange Method

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 14 Ill. Reg. 14982, effective September 4, 1990; amended at 15 Ill. Reg. 5752, effective April 4, 1991; amended at 15 Ill. Reg. 15747, effective October 22, 1991; repealed at 19 Ill. Reg. _____, effective _____.

Section 421.10 Supertrifecta Wager

A Supertrifecta wager requires the selection of the first three finishers in exact order in one designated race, and the first four finishers in exact order in a second designated race. The Supertrifecta pool shall be calculated in a pool entirely separate from all other wagering pools.

Section 421.20 Trifecta Rules Shall Apply

Unless expressly noted herein, all rules related to trifecta (11 Ill. Adm. Code 409) wagering shall apply to the Supertrifecta wager.

Section 421.30 Pool Calculations

Commissions shall be deducted from the daily Supertrifecta pool in accordance with state law (Ill. Rev. Stat. 1989, ch. 8, par. 37-9(b)) for wagers involving three or more betting interests. The balance of the pool, following commission deductions, shall be known as the daily net supertrifecta pool.

Section 421.40 Distribution of Daily Net Pool

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An organization may elect to either of the following formats prior to the start of the meet:

a) 50% Carryover
   1) Fifty per cent (50%) of the daily net pool, excluding any carryover pool, shall be distributed to holders of tickets which correctly select the first three finishers of the first Supertrifecta race.
   2) Fifty per cent (50%) of the daily net pool, plus any carryover pool, shall be distributed to holders of tickets which correctly designate both the first three finishers of the first Supertrifecta race and the first four finishers of the second Supertrifecta race.
   3) If no tickets are sold which correctly select the finishers of both Supertrifecta races, fifty per cent (50%) of the daily net pool shall be carried over to the next race program and combined with the net Supertrifecta pool for said program and added to any accumulated carryover pool.
   4) Fifty per cent (50%) of the daily net pool shall be carried over in this fashion each program until at least one ticket is sold which correctly selects the finishers of both races of the Supertrifecta or until a mandatory distribution is ordered.

b) 75% Carryover
   1) Twenty-five per cent (25%) of the daily net pool, excluding any carryover pool, shall be distributed to holders of tickets which correctly select the first three finishers of the first Supertrifecta race.
   2) Seventy-five per cent (75%) of the daily net pool, plus any carryover pool, shall be distributed to holders of tickets which correctly designate both the first three finishers of the first Supertrifecta race and the first four finishers of the second Supertrifecta race.
   3) If no tickets are sold which correctly select the finishers of both Supertrifecta races, seventy-five per cent (75%) of the daily net pool shall be carried over to the next race program and combined with the net Supertrifecta pool for said program and added to any accumulated carryover pool.
   4) Seventy-five per cent (75%) of the daily net pool shall be carried over in this fashion each program until at least one ticket is sold which correctly selects the finishers of both races of the Supertrifecta or until a mandatory distribution is ordered.

Section 421.50 Carryover Pool

a) The Supertrifecta carryover pool may be transferred from one racing meet to another if it is the same breed of racing at the same racetrack and provided that there is a time period of not more than ten days from the close of one organization's meet to the start of the

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next organization's meet.

b) A mandatory distribution of the carryover pool shall occur on the last day of the organization's meet, unless the organization elects to continue the carryover pool pursuant to the above paragraph, or upon order of the Executive Director (e.g. extenuating circumstances forcing the cancellation of races). In the event a mandatory distribution occurs and no ticket is sold which correctly selects both races of the Supertrifecta, the winner of the carryover pool shall be the holders of tickets which correctly select the most consecutive finishers in the winning combination starting with the winner of the first Supertrifecta race.

Section 421.60 Minimum Field

The second race of the Supertrifecta shall have at least nine betting interests, except in the event of a late scratch, in which case the Supertrifecta shall be permitted if eight betting interests start.

Section 421.70 Scratches

a) If a runner is scratched from either race of the Supertrifecta prior to the start of the first Supertrifecta race, then all tickets sold on the scratched runner shall be refunded.

b) If a runner is scratched in the second Supertrifecta race after the running of the first Supertrifecta race, then holders of the tickets correctly selecting the first three finishers of the first race shall share in fifty per cent (50%) of the daily net pool, excluding any carryover pool, and shall receive a refund for those tickets which include scratched runner in the second Supertrifecta race.

Section 421.80 Cancellation of Races

In the event that racing is cancelled for any reason prior to the running of the second Supertrifecta race, one hundred per cent (100%) of the daily net pool shall be distributed to holders of tickets correctly selecting the first three finishers of the first Supertrifecta race. The carry over pool shall remain undistributed and shall be added to the next Supertrifecta.

Section 421.90 Dead Heats

In the event of a dead heat in either the first or second Supertrifecta race, all Supertrifecta tickets with the correct order of finish, counting any runner in a dead heat as finishing in any position dead-heated, shall be a winning ticket and, contrary to usual practice, the aggregated number of winning tickets shall be divided into the net pool and be paid the same pay-off price.

Section 421.100 Exchange Method

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NOTICE OF PROPOSED REPEALER

At the election of the organization the Supertrifecta may be conducted with an exchange of pari-mutuel tickets between races in accordance with the rules pertaining to the exchange of pari-mutuel tickets under Part 440 (11 Ill. Adm. Code 440).

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Totalizator Operations

2) Code Citation: 11 Ill. Adm. Code 433

3) Section Numbers: Proposed Action:

433.70 Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the requirement for filing a report from this Part. A rule requiring a similar type of report is proposed in Part 300.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENTS

13) In which regulatory agenda was this rulemaking published? None. This rulemaking is a result in a change in the Horse Racing Act. The Board did not anticipate this rulemaking.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENTS

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 433
TOTALIZATOR OPERATIONS

SUBPART A: DEFINITIONS AND GENERAL PROVISIONS

Section

SUBPART B: PROCEDURES AND REPORTS REQUIRED OF ORGANIZATION LICENSEES

Section

SUBPART C: MUTUEL TICKETS

Section

SUBPART D: MUTUEL FACILITIES; TICKETS; SPECIFICATIONS REQUIREMENTS AND PROCEDURES

Section

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NOTICE OF PROPOSED AMENDMENTS

SUBPART E: TOTALIZATOR SYSTEM: SYSTEM REQUIREMENTS

Section

SUBPART F: TOTALIZATOR SYSTEM: PROCEDURAL REQUIREMENTS

Section

AUTHORITY: Implementing Section 15 and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b) and 15].

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SOURCE: Adopted at 11 Ill. Reg. 12380, effective July 18, 1987; amended at 15 Ill. Reg. 2736, effective February 5, 1991; amended at 16 Ill. Reg. 20171, effective December 9, 1992; amended at 18 Ill. Reg. 7443, effective May 8, 1994; amended at 19 Ill. Reg. _____, effective _____.

SUBPART B: PROCEDURES AND REPORTS REQUIRED OF ORGANIZATION LICENSEES

Section 433.70 Summary of Pari-Mutuel Operations (Repealed)

~~The mutuel manager of the organization licensee shall attest by signature to the validity of the information included in the "Summary of Pari-Mutuel Operations" report submitted by racing program to the Board as the organization licensee's original record of wagering activities at the racetrack supervised by such mutuel manager.~~

(Source: Repealed at 19 Ill. Reg. _____, effective _____)

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Trifecta

2) Code Citation: 11 Ill. Adm. Code 306

3) Section Numbers: Proposed Action:

306.10	New Section
306.20	New Section
306.30	New Section
306.40	New Section
306.50	New Section
306.60	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes the trifecta wager. These rules incorporate the Racing Commissioners International model rules. These rules detail pool distribution, dead heats, entries and field and minimum fields.

6) Will these proposed rules replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Department of Commerce and Community Affairs: June 23, 1995

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

B) Types of small business affected None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 306
TRIFECTA

Section
306.10 Definition
306.20 Entries and Fields
306.30 Minimum Fields
306.40 Pool Distribution
306.50 Dead Heats
306.60 Scratches

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 306.10 Definition

The trifecta requires the selection of the first three finishers, in their exact order, for a single designated contest. All trifecta wagers shall be calculated in an entirely separate pool.

Section 306.20 Entries and Fields

a) Fields shall be allowed in a trifecta contest, so long as it is a stakes race with a minimum purse of $100,000.
b) Only one entry either coupled or uncoupled shall be allowed in a trifecta race so long as it is a stakes race with a minimum purse of $25,000 and a minimum field of eight betting interests.
c) For overnight thoroughbred races, one entry shall be allowed in a trifecta race so long as the entry is coupled, and at least eight betting interests are carded.
d) This Section shall not apply to races which are permitted for simulcasting under Section 26(g) of the Act [230 ILCS 5/26(g)].

Section 306.30 Minimum Fields

a) For thoroughbred racing, trifecta wagering shall be prohibited on races with fewer than 6 betting interests.
b) For harness racing, trifecta wagering shall be prohibited on races with fewer than 7 betting interests.
c) This Section shall not be applicable to Stakes Races.

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NOTICE OF PROPOSED RULES

Section 306.40 Pool Distribution

a) The net trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
   1) If contestants of a coupled entry or mutuel field finish, in any combination, within the first three finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest; otherwise
   2) As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then
   3) As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then
   4) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, then
   5) The entire pool shall be refunded on trifecta wagers for that contest.

b) If less than three betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest (e.g., 2 horses finish = 1-2-All or 1 horse finishes = 1-All-All).

Section 306.50 Dead Heats

a) If there is a dead heat for first involving:
   1) contestants representing three or more betting interests, all of the wagering combinations selecting the three betting interests which correspond with any of the betting involved in the dead heat shall share in a profit split.
   2) contestants representing two betting interests, both of the wagering combinations selecting the two dead-heated betting interests, irrespective of order, along with the third place betting interests shall share in a profit split.

b) If there is a dead heat for second, all of the combinations correctly selecting the winner combined with any of the betting interests involved in the dead heat for second shall share in a profit split.

c) If there is a dead heat for third, all wagering combinations correctly selecting the first two finishers, in correct sequence, along with any of the betting interests involved in the dead heat for third shall share in a profit split.

Section 306.60 Scratches

a) In the event any contestant that is not part of an entry or field is scratched, all wagers including the scratched betting interests shall be refunded.

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b) In the event any contestant in a coupled entry or mutuel field is scratched, the remaining contestant(s) in that coupled entry or mutuel field shall remain valid betting interests and no refunds shall be granted.

c) In the event all contestants within a coupled entry or mutuel field are scratched, all wagers including such betting interests shall be refunded.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Trifecta

2) Code Citation: 11 Ill. Adm. Code 409

3) Section Numbers: Proposed Action:

409.10	Repeal
409.20	Repeal
409.30	Repeal
409.40	Repeal
409.50	Repeal
409.65	Repeal
409.85	Repeal
409.90	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals the Board's current Trifecta rules. New rules establishing the Trifecta wager are proposed.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporation by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposedrulemaking: Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601, (312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

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NOTICE OF PROPOSED REPEALER

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 409
TRIFECTA (REPEALED):

Section
409.10 Trifecta Wager
409.20 Entries and Fields
409.30 Winning Combinations
409.40 Dead Heat
409.50 Irregular Wagering Pattern
409.60 Special Conditions for Thoroughbred Trifecta Races (Repealed)
409.65 Trifecta Races
409.70 Special Conditions for Harness Trifecta Races (Repealed)
409.75 Restrictions on Thoroughbred Trifecta Races (Repealed)
409.80 Waiver of Rules (Repealed)
409.85 Restrictions on Harness Trifecta Races
409.90 Minimum Fields

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 4 Ill. Reg. 38, p. 187, effective September 8, 1980; codified at 5 Ill. Reg. 10894; emergency amendment at 9 Ill. Reg. 2532, effective February 8, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 10270, effective June 21, 1985; amended at 14 Ill. Reg. 11317, effective July 3, 1990; amended at 14 Ill. Reg. 12265, effective July 13, 1990; amended at 14 Ill. Reg. 17670, effective October 16, 1990; amended at 14 Ill. Reg. 20063, effective December 4, 1990; amended at 16 Ill. Reg. 20176, effective December 9, 1992; amended at 17 Ill. Reg. 21855, effective December 3, 1993; amended at 18 Ill. Reg. 17761, effective November 28, 1994; repealed at 19 Ill. Reg. _____, effective _____.

Section 409.10 Trifecta Wager

A trifecta wager combines three horses in a single race, selecting the horses that will finish first, second and third in that race, in the official order of finish. All trifecta wagers are calculated in a separate trifecta pool.

Section 409.20 Entries and Fields

a) Fields are prohibited in Trifecta races.
b) Only one entry (i.e., two or more horses with a common interest) either coupled or uncoupled (see Ill. Adm. Code 1312.265 and 1413.48) shall be allowed in a trifecta race so long as it is a stakes race

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with a minimum purse of $25,000 and a minimum field of eight betting interests.
c) For harness racing, no entry, coupled or uncoupled, shall be allowed in a trifecta race which is not a stakes race.
d) For overnight thoroughbred races, one entry shall be allowed in a trifecta race so long as the entry is coupled, and at least eight betting interests are carded.
e) This Section shall not apply to races which are permitted for simulcasting under Section 26(g) of the Act [230 ILCS 5/26(g)].

Section 409.30 Winning Combinations

a) If less than three horses finish, payoff shall be made on tickets selecting the actual finishing horses order, ignoring the balance of the selection.
b) If no ticket is sold on a winning combination of a trifecta pool, the net pool shall then be apportioned equally between those having tickets selecting the first and second place horses.
c) If no ticket is sold selecting the first and second horse in the Trifecta pool, the net pool shall then be apportioned equally between those having tickets selecting the horse or horses that finished first in the Trifecta race.
d) If no selection is made as described in Rule B9.3A and B, (11 Ill. Adm. Code Sections 409.30(b) and (c)) those having selected the second horse for second and the third horse for third with any other horses, the aggregate number of tickets as mentioned in this paragraph shall divide the net pool and be paid in the same payoff price.

Section 409.40 Dead Heat

a) In case of a dead heat for first, the winning combinations shall include the first two horses as finishing in either the first or second position and the horse finishing third.
b) In case of a dead heat to place, the winning combinations shall be the horse finishing first and the two horses finishing in a dead heat for place, as finishing in either the second or third position. In case of a dead heat for third, the winning combinations shall be the horse finishing first, the horse second, and the two horses finishing in either the third or fourth positions. In all instances of dead heats, the winning combinations shall be paid proportionately to their share in the net trifecta pool.

Section 409.50 Irregular Wagering Pattern

a) At any meeting employing a computerized sell/pay totalizator system, the State Director of Mutuels or his designeee and the Mutuel Manager shall confer three minutes prior to post time of a trifecta race with respect to the pattern of wagering on the race. If either shall

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NOTICE OF PROPOSED REPEALER

conclude that the wagering pattern is of such an irregular nature to warrant reasonable concern that illegal or corrupt practices may be intended with respect to such race, he shall notify the State Steward who shall cancel the race, and all wagers shall be promptly refunded.

b) With approval of the Board, an additional race, on which trifecta wagering may be permitted, may be scheduled during a subsequent day of racing to replace any race cancelled pursuant to this rule. In considering a request for such approval, the Board shall consider all relevant factors including, but not limited to, those specified in 11 Ill. Adm. Code 409.50.

Section 409.65 Trifecta Races

a) Subject to the restrictions in 11 Ill. Adm. Code 409.75 and 409.85, the racing secretary shall select a race as a trifecta race after consideration of the following criteria which are listed in order of priority:
   1) the quality of the race;
   2) his judgment regarding the competitiveness of the race; and
   3) the number of horses entered; and
   4) the distance of the race.

b) When the racing secretary has decided which race he intends to card as a trifecta, he shall advise the stewards who shall review the racing secretary's selection as quickly as practicable. If the stewards determine that another race is of a better quality, more competitive, will have a greater number of horses and the distance of the race is more suitable, they shall select that race as the trifecta and their decision shall be final.

Section 409.85 Restrictions on Harness Trifecta Races

All harness trifecta races shall be contested at a distance of at least one mile.

Section 409.90 Minimum Fields

a) For thoroughbred racing, at least 8 betting interests shall be carded and in the event of scratches at scratch time at least 7 betting interests shall remain. Trifecta wagering will still be permitted if scratches occurring after the horses leave the paddock reduce the field to 6 betting interests, but in no event shall trifecta wagering be allowed on a race with fewer than 6 betting interests.

b) For harness racing, at least 8 betting interests shall be carded, unless the stewards grant permission to card 7 betting interests. In no event shall trifecta wagering be allowed on races containing fewer than 7 betting interests.

c) This Section shall not be applicable to Stakes Races.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Twin Trifecta

2) Code Citation: 11 Ill. Adm. Code 307

3)

Section Numbers:	Proposed Action:
307.10	New Section
307.20	New Section
307.30	New Section
307.40	New Section
307.50	New Section
307.60	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes the twin trifecta wager. These rules incorporate the Racing Commissioners International model rules regarding pool distribution, dead heats, scratches and carryover pools.

6) Will these proposed rules replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed rules contain incorporation by reference? No

9) Are there any other proposed rules pending in this Part? No

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Department of Commerce and Community Affairs: June 23, 1995

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it had originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 307
TWIN TRIFECTA EXCHANGE

Section
307.10 Definition
307.20 General Provisions
307.30 Pool Distribution
307.40 Dead Heats
307.50 Scratches
307.60 Races Canceled
307.70 Mandatory Distribution

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg._____, effective _____.

Section 307.10 Definition

The twin trifecta requires selection of the first three finishers, in their exact order, in each of two designated contests. Each winning wager for the first twin trifecta contest must be exchanged for a free ticket on the second twin trifecta contest in order to remain eligible for the second half twin trifecta contest. Winning first half twin trifecta wagers will receive both an exchange and a monetary payoff. All twin trifecta wagers shall be calculated in an entirely separate pool.

Section 307.20 General Provisions

a) Unless expressly noted in this Part, all trifecta rules shall apply.
b) Twin trifecta tickets shall be sold and exchanged by licensed facilities and at attended ticket-issuing machines. The sale, exchange or transfer of twin trifecta tickets by any other facility or person is prohibited.
c) Twin trifecta wagers shall not be sold in denominations of less than $1.
d) The twin trifecta rules shall be prominently displayed in the official program on each day the twin trifecta wager is offered.
e) If a wagering facility is unable to process wagers on the second twin trifecta contest, due to unforeseen problems, including but not limited to totalizator malfunction, natural disaster, electrical

failure, holders of winning wagers on the first twin trifecta contest shall be entitled to the monetary value of the winning wager but shall not be eligible for an exchange ticket on the second twin trifecta contest.

f) Any organization licensee who elects to offer a twin trifecta wager shall notify the State Director of Mutuels, in writing, at least 30 days prior to the start of its meet.

Section 307.30 Pool Distribution

a) An organization shall elect a 50% or 75% carryover method prior to the start of its meet. The remaining 50% or 25% shall be the daily net pool.

b) In the first twin trifecta contest, winning wagers and distribution of the daily net pool shall be determined using the following precedence, based upon the official order of finish for the first twin trifecta contest:

1) As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

2) As a single price pool to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then

3) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, then

4) The entire twin trifecta pool, for that contest, shall be added to the carryover pool and the second half shall be canceled.

c) If no first half twin trifecta wager selects the first three finishers of that contest in exact order, winning wagers shall not receive any exchange tickets for the second half twin trifecta pool. In such cases, the second twin trifecta pool shall be retained and added to any existing twin trifecta carryover pool.

d) The carryover pool shall be distributed to winning wagers on the second twin trifecta contest according to the following precedence, based upon the official order of finish for the second twin trifecta contest:

1) As a single price pool to those whose combination finished in correct sequence as the first three betting interests; but if there are no such wagers, then

2) The entire carryover pool for that contest shall be added to any existing carryover and retained for the next consecutive second half twin trifecta pool.

e) If a winning first half twin trifecta wager is not presented for payment and exchange prior to the second half twin trifecta contest, the ticket holder shall receive the monetary value associated with the first half twin trifecta pool but forfeits all rights to any distribution of the second half twin trifecta pool.

Section 307.40 Dead Heats

a) If there is a dead heat or multiple dead heats in either the first or second twin trifecta contest, all twin trifecta wagers selecting the correct order of finish, including any dead-heated contestant, shall be considered winners.

b) If there is a dead heat in the first twin trifecta contest, payoffs shall be calculated as a profit split.

c) If there is a dead heat in the second twin trifecta contest, payoffs shall be calculated as a single price pool.

Section 307.50 Scratches

a) Should a betting interest in the first twin trifecta contest be scratched, those wagers including the scratched betting interest shall be refunded.

b) Should a betting interest in the second twin trifecta contest be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second twin trifecta contest, the ticket holder forfeits all rights to the second twin trifecta pool.

c) If, due to a late scratch, the number of betting interests in the second twin trifecta contest is reduced to fewer than the minimum, all exchange tickets and outstanding first half winning wagers shall be entitled to the second half twin trifecta pool for that contest as a single price pool, but not the twin trifecta carryover.

Section 307.60 Races Canceled

a) If either of the twin trifecta contests are canceled prior to the first twin trifecta contest, the entire twin trifecta pool shall be refunded on twin trifecta wagers for that contest and the second twin trifecta contest shall be canceled.

b) If the second twin trifecta contest is canceled, all exchange tickets and outstanding first half winning twin trifecta tickets shall be entitled to the daily net twin trifecta pool for that contest as a single price pool, but not the twin trifecta carryover.

Section 307.70 Mandatory Distribution

a) The twin trifecta carryover shall be designated for distribution on the last program of a race meeting or the last program during a consecutive race meeting of the same type of racing at the same track and shall be advertised to the public.

b) In the event a mandatory distribution is required, the following precedence will be followed in determining winning wagers for the

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NOTICE OF PROPOSED RULES

second twin trifecta contest, based upon the official order of finish:

1) As a single price pool to those who selected the first three finishers in exact order; but if there are no such wagers, then
2) As a single price pool to those whose combination correctly selected the first and second place finishers in correct order; but if there are no such wagers, then
3) As a single price pool to those whose combination correctly selected the first place betting interest; but if there are no such wagers, then
4) As a single price pool to those whose combination correctly selected the second and third place finishers in exact order; but if there are no such wager, then
5) As a single price pool to those whose combination correctly selected the second place betting interest; but if there are no such wagers, then
6) As a single price pool to those whose combination correctly selected the third place betting interest; but if there are no such wagers, then
7) As a single price pool to holders of valid exchange tickets.

c) In the event no valid exchange tickets are issued the carryover shall be distributed in the following precedence, based upon the official order of finish:

1) As a single price pool to those whose combination correctly selected the first and second place betting interests in the first twin trifecta contest; but if there are no such wagers, then
2) As a single price pool to those whose combination correctly selected the first place finisher in the first twin trifecta contest; but if there are no such wagers, then
3) As a single price pool to those holding first half twin trifecta wagers.

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Twin Trifecta Exchange

2) Code Citation: 11 Ill. Adm. Code 440

3) Section Numbers: Proposed Action:

440.10	Repeal
440.20	Repeal
440.30	Repeal
440.40	Repeal
440.50	Repeal
440.60	Repeal
440.70	Repeal
440.80	Repeal
440.90	Repeal
440.100	Repeal
440.110	Repeal
440.120	Repeal
440.130	Repeal
440.140	Repeal
440.150	Repeal
440.160	Repeal

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking repeals current Twin Trifecta rules. New rules establishing the Twin Trifecta wager are proposed.

6) Will these proposed amendments replace emergency amendments currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed amendments contain incorporation by reference? No.

9) Are there any other proposed amendments pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to: Gina DiCaro, Illinois Racing Board, Legal Department, 100 West Randolph, Ste. 11-100, Chicago, Illinois 60601 (312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

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B) Types of small business affected: None

C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published? This rulemaking was scheduled to be published in a future agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED REPEALER

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER b: RULES APPLICABLE TO ORGANIZATION LICENSEES

PART 440
TWIN TRIFECTA EXCHANGE (REPEALED)

Section

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 15 Ill. Reg. 3492, effective February 21, 1991; amended at 15 Ill. Reg. 13936, effective September 5, 1991; amended at 16 Ill. Reg. 13077, effective August 10, 1992; repealed at 19 Ill. Reg. _____, effective _____.

Section 440.10 Twin Trifecta Exchange Wager

A Twin Trifecta Exchange (TTE) wager requires the selection of the three horses that will finish first, second and third in each of the two designated TTE races in the exact order as officially posted. The TTE pool shall be calculated in a pool entirely separate from all other wagering pools.

Section 440.20 Sale and Exchange of TTE Tickets

TTE tickets shall be sold and exchanged only from Board licensed facilities and Board approved ticket-issuing machines. Sale of TTE tickets by any other facility or person shall be deemed illegal and prohibited.

Section 440.30 Transfer of Tickets Prohibited

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Exchange tickets shall be non-transferable. Holders of transferred exchange tickets shall not be entitled to any winnings. Persons involved in the unauthorized transfer of exchange tickets shall be subject to exclusion from the grounds of the organization licensee.

Section 440.40 Pool Calculations

Commissions shall be deducted from the TTE Daily Divided pool in accordance with state law for wagers involving three or more betting interests (Ill. Rev. Stat. 1989, ch. 8, par. 37-26.2). The net pool shall then be divided into two separate pools.

Section 440.50 Distribution of Daily Net Pool

An organization may elect either of the following formats prior to the start of the meet:

a) 50% Carryover
   1) Fifty per cent (50%) of the daily net pool, excluding any carryover pool, shall be distributed to holders of tickets which correctly select the first three finishers of the first Twin Trifecta Exchange race.
   2) Fifty per cent (50%) of the daily net pool, plus any carryover pool, shall be distributed to holders of exchange tickets which correctly designate the first three finishers of the second Twin Trifecta Exchange race.
   3) If no tickets are sold which correctly select the finishers of both Twin Trifecta Exchange races, fifty per cent (50%) of the daily net pool shall be carried over to the next race program and combined with the net Twin Trifecta Exchange pool for said program and added to any accumulated carryover pool.
   4) Fifty per cent (50%) of the daily net pool shall be carried over in this fashion each program until at least one exchange ticket is issued which correctly selects the finishers of the second Twin Trifecta Exchange race or until a mandatory distribution is ordered.

b) 75% Carryover
   1) Twenty-five per cent (25%) of the daily net pool, excluding any carryover pool, shall be distributed to holders of tickets which correctly select the first three finishers of the first Twin Trifecta Exchange race.
   2) Seventy-five per cent (75%) of the daily net pool, plus any carryover pool, shall be distributed to holders of exchange tickets which correctly designate the first three finishers of the second Twin Trifecta Exchange race.
   3) If no tickets are sold which correctly select the finishers of both Twin Trifecta Exchange races, seventy-five per cent (75%) of the daily net pool shall be carried over to the next race program and combined with the net Twin Trifecta Exchange pool for said program and added to any accumulated carryover pool.
   4) Seventy-five per cent (75%) of the daily net pool shall be carried over in this fashion each program until at least one exchange ticket is issued which correctly selects the finishers of the second Twin Trifecta Exchange or until a mandatory distribution is ordered.

Section 440.60 Failure to Select

a) In the first half of the TTE only, if there is a failure to select, in exact order, the first three horses, payoffs shall be made on TTE tickets selecting the following order of priority:
   1) The first two horses in exact order, or
   2) The first horse.
   3) If no ticket is sold which correctly designates the winner to win, the entire pool shall be retained and added to any existing TTE carryover pool.

Section 440.70 "Exchange" Tickets

a) After the official declaration of the first three horses to finish in the first race of the TTE, each bettor shall, prior to the running of the second TTE race, exchange such winning ticket for both the monetary value established by the totalizator for such ticket and a TTE "exchange" ticket which shall designate the three horses to finish in the second TTE race. No further money shall be required of the holders of the winning ticket in order to make the exchange.
b) No tickets upon the second TTE race shall be issued except upon surrender of the winning TTE ticket from the first race as described in subsection (a).
c) If a winning TTE ticket from the first race is not presented for cashing and exchanged within the time provided, the bettor may still collect the monetary value attached to the ticket but forfeits all rights to any distribution of the second race TTE pool.

Section 440.80 Trifecta Rules Shall Apply

Unless provided otherwise in these rules, all Illinois Racing Board rules governing trifecta races snall apply to both TTE races.

Section 440.90 Scratches

a) If a horse is scratched from the first race of the TTE, all tickets which designate the scratched horse shall be refunded.
b) If a horse is scratched from the second race of the TTE, all bettors who hold tickets which designate the scratched horse shall be afforded the opportunity to re-exchange said tickets.
   1) If tickets which reflect a scratched horse in the second race are not re-exchanged, holders of those tickets shall not be entitled

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to any part of the divided pool.

Section 440.100 Dead Heats

In the event of a dead heat or dead heats in either the first or second half of the TTE, all TTE tickets selecting the correct order of finish counting a horse in a dead heat as finishing in any position dead-heated shall be winning tickets. In the case of the dead-heat occurring in the first half, the payoff shall be calculated in the same manner as a win pool. In the case of the dead-heat occurring in the second half, contrary to the usual pari-mutuel practice, the aggregate number of winning tickets shall be divided into the net pool and be paid the same payoff price.

Section 440.110 No Winning Combinations

In the event there is no TTE ticket issued selecting the officially declared first three finishers of the second TTE race in the exact order, such second race pool, as divided earlier, shall be held for the next consecutive program and combined with that program's second race TTE pool. This sum shall be termed the "Carryover Jackpot". Distribution of the special cumulative second race TTE pool shall be made only upon the selection, in exact order, of the first three officially declared finishers of the second TTE race or unless a mandatory distribution is required.

Section 440.120 Jackpot Pool

a) On the last program of a meeting or the last program during consecutive race meetings of the same type of racing at the same race track, or upon order of the Executive Director, a mandatory distribution shall be declared by the organization licensee and shall be advertised to the public (e.g., extenuating circumstances forcing a cancellation of races).

b) When a mandatory distribution is required, all of the carryover jackpot shall be distributed even if no ticket combines the exact winning combination.

c) In the event there are no valid exchange tickets which correctly select the first three finishers of the second TTE race, the sum of the Jackpot pool shall be distributed equally:
   1) to those whose combination included, in correct sequence, the first two betting interests; but if there are no such wagers, then
   2) to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then
   3) to those whose combination included, in correct sequence, the second two betting interests; but if there are no such wagers, then
   4) to those whose combination correctly selected the second-place betting interest only; but if there are no such wagers, then

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   5) to those whose combination correctly selected the third-place betting interest only; but if there are no such wagers, then
   6) to holders of valid exchange tickets.

d) In the event no valid exchange tickets are issued the Jackpot pool shall be distributed equally:
   1) to those whose combination correctly selected the first two finishers, in exact order, for the first TTE race; but if there are no such wagers, then
   2) to those whose combination correctly selected the first-place betting interest only; but if there are no such wagers, then
   3) those holding first-half TTE tickets shall become winners and shall share equally in the Jackpot pool.

Section 440.130 Races Cancelled

a) In the event the second TTE race is cancelled for any reason, the entire net pool for that day shall be distributed to holders of tickets correctly selecting the first TTE race and any carryover pool shall remain undistributed and added to the pool for the next program.

b) In the event wagering is unavailable on the second TTE race at any facility which accepted wagers on the first TTE race, the holder of tickets, at that facility, who correctly designate the winners of the first TTE shall be awarded the monetary value of the first TTE ticket but will not be afforded the opportunity to exchange the ticket.

Section 440.140 Rules Displayed

This Part shall be prominently displayed in the official program on any day the TTE is offered.

Section 440.150 Minimum Price

TTE tickets shall not be sold in denominations of less than $1.00.

Section 440.160 Notification

Any organization who elects to offer the Twin Trifecta Exchange wager shall notify the Board in writing, 30-days prior to the start of its meet.

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NOTICE OF PROPOSED RULES

1) Heading of the Part: Win, Place and Show Pools

2) Code Citation: 11 Ill. Adm. Code 301

3) Section Numbers: Proposed Action:

301.10	New Section
301.20	New Section
301.30	New Section
301.40	New Section

4) Statutory Authority: 230 ILCS 5

5) A complete description of the subjects and issues involved: This rulemaking establishes the calculation of payoffs and distribution of win, place and show pools. These rules incorporate the Association of Racing Commissioners International model rules for calculation and distribution of pools.

6) Will these proposed rules replace emergency rules currently in effect? No.

7) Does this rulemaking contain an automatic repeal date? No.

8) Do these proposed rules contain incorporation by reference? No.

9) Are there any other proposed rules pending in this Part? No.

10) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days of this notice, to:

Gina DiCaro
Illinois Racing Board
Legal Department
100 West Randolph, Ste. 11-100
Chicago, IL 60601
(312) 814-5020

12) Initial Regulatory Flexibility Analysis:

A) Date rule was submitted to the Business Assistance Office of the Department of Commerce and Community Affairs: June 23, 1995

B) Types of small business affected: None

ILLINOIS RACING BOARD

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C) Reporting, bookkeeping or other procedures required for compliance: None

D) Types of professional skills necessary for compliance: None

13) In which regulatory agenda was this rulemaking published: This rulemaking was scheduled to be published in a future regulatory agenda. Due to substantial changes in the Horse Racing Act, the Board decided to propose this rulemaking earlier than it originally anticipated.

The full text of the proposed amendment begins on the next page:

ILLINOIS RACING BOARD

NOTICE OF PROPOSED RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 301
WIN, PLACE AND SHOW POOLS

Section
301.10 General
301.20 Win Pools
301.30 Place Pools
301.40 Show Pools

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 19 Ill. Reg. _____, effective _____.

Section 301.10 General

a) All pari-mutuel pools shall be separately and independently calculated and distributed. Takeout shall be deducted from each gross pool pursuant to the Act [230 ILCS 5]. The remainder of the monies in the pool shall constitute the net pool for distribution as payoff on winning wagers.
b) For each wagering pool, the amount wagered on the winning betting interest or betting combinations is deducted from the pool to determine the profit; the profit is then divided by the amount wagered on the winning betting interest or combinations, such quotient being the profit per dollar.

Section 301.20 Win Pools

a) The amount wagered on the betting interest which finishes first is deducted from the net pool, the balance remaining being the profit; the profit is divided by the amount wagered on the betting interest finishing first, such quotient being the profit per dollar wagered to win on that betting interest.
b) The net win pool shall be distributed as a single price pool to winning wagers in the following precedence, based upon the official order of finish:
   1) To those whose selection finished first; but if there are no such wagers, then
   2) To those whose selection finished second; but if there are no such wagers, then

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   3) To those whose selection finished third; but if there are no such wagers, then
   4) The entire pool shall be refunded on win wagers for that contest.
c) If there is a dead heat for first involving:
   1) contestants representing the same betting interest, the win pool shall be distributed as if no dead heat occurred.
   2) contestants representing two or more betting interests, the win pool shall be distributed as a profit split.

Section 301.30 Place Pools

a) The amounts wagered to place on the first two betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into two equal portions, one being assigned to each winning betting interest and divided by the amount wagered to place on that betting interest, the resulting quotient being the profit per dollar wagered to place on that betting interest.
b) The net place pool shall be distributed to winning wagers in the following precedence, based on the official order of finish:
   1) If contestants of a coupled entry or mutuel field finished in the first two places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise
   2) As a profit split to those whose selection is included within the first two finishers; but if there are no such wagers, then
   3) As a single price pool to those who selected the one covered betting interest included within the first two finishers; but if there are no such wagers, then
   4) As a single price pool to those who selected the third place finisher; but if there are no such wagers, then
   5) The entire pool shall be refunded on place wagers for that contest.
c) If there is a dead heat for second involving:
   1) contestants representing the same betting interest, the place pool shall be distributed as if no dead heat occurred.
   2) contestants representing two or more betting interests, the place pool shall be divided with one-half of the profit distributed to place wagers on the betting interest finishing first and the remainder is distributed equally among place wagers on those betting interests involved in the dead heat for second.

Section 301.40 Show Pools

a) The amounts wagered to show on the first three betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into three equal portions, one being assigned to each winning betting interest and divided by the amount wagered to show on that betting interest, the resulting quotient being the profit per dollar wagered to show on that betting interest. The

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net show pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

1) if contestants of a coupled entry or mutuel field finished in the first three places, as a single price pool to those who selected the coupled entry or mutuel field; otherwise
2) If contestants of a coupled entry or mutuel field finished as two of the first three finishers, the profit is divided with two-thirds distributed to those who selected the coupled entry or mutuel field and one-third distributed to those who selected the other betting interest included within the first three finishers; otherwise
3) As a profit split to those whose selection is included within the first three finishers; but if there are no such wagers, then
4) As a profit split to those who selected the two covered betting interests included within the first three finishers; but if there are no such wagers, then
5) As a profit split to those who selected the one covered betting interest included within the first three finishers; but if there are no such wagers, then
6) As a single price pool to those who selected the fourth place finisher; but if there are no such wagers, then
7) The entire pool shall be refunded on show wagers for that contest.

b) If there is a dead heat for first involving:
1) two contestants representing the same betting interest, the profit is divided with two-thirds distributed to those who selected the first place finisher and one-third distributed to those who selected the betting interest finishing third.
2) three contestants representing a single betting interest, the show pool shall be distributed as a single price pool.
3) contestants representing two or more betting interests, the show pool shall be distributed as a profit split.

c) If there is a dead heat for second involving:
1) contestants representing the same betting interest, the profit is divided with one-third distributed to those who selected the betting interest finisning first and two-thirds distributed to those who selected the second place finishers.
2) contestants representing two betting interests, the show pool shall be distributed as a profit split.
3) contestants representing three betting interests, the show pool is divided with one-third of the profit distributed to show wagers on the betting interest finishing first and the remainder is distributed equally among show wagers on those betting interests involved in the dead heat for second.

d) If there is a dead heat for third involving:
1) contestants representing the same betting interest, the show pool shall be distributed as if no dead heat occurred.
2) contestants representing two or more betting interests, the show

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pool is divided with two-thirds of the profit distributed to show wagers on the betting interest finishing first and second and the remainder is distributed equally amongst show wagers on those betting interests involved in the dead heat for third.

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Community Care Program

2) Code Citation: 89 Ill. Adm. Code 240

3) Section Numbers: Adopted Action:

240.810	Amendment
240.825	Amendment

4) Statutory Authority: 20 ILCS 105/4.01 (4), (9), (11) and (12); 4.02; 4.03; and 5.02.

5) Effective Date of Amendment(s): July 1, 1995

6) Does this rulemaking contain an automatic repeal date? No

7) Does this amendment contain incorporations by reference? Yes

8) Date Filed in Agency's Principal Office: June 22, 1995

9) Notice of Proposal Published in Illinois Register:

December 30, 1994: 18 Ill. Reg. 18153
(issue date)

10) Has JCAR issued a Statement of Objections to this amendment(s)? No

11) Difference(s) between proposal and final version:

The following changes were made in response to comment received during the first notice period:

In Section 240.810, Subsection (a)(2), the word "combined" has been deleted as IDPA is revising its policy to look at individual assets and not joint assets.

In Section 240.825, Subsections (b)(1) & (2), the last sentence in subsection (b) and subsections (1) and (2) have been deleted as "all" Community Care Program clients will be allowed the $25.00 exemption.

In Section 240.825, Subsections (c) & (d), the cross reference to IDPA rules has been corrected to cite Administrative Code 120.379.

12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this amendment replace an emergency amendment currently in effect? No

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

14) Are there any proposed amendments pending on this Part? Yes

Section	Proposed Action	Illinois Register Citation
240.436	New Section	February 17, 1995 (19 Ill. Reg. 1363)

15) Summary and Purpose of Amendment(s):

The purpose of this rulemaking is to implement the spousal impoverishment provisions of Public Act 87-470 to the Community Care Program clients, signed into law by the Governor on September 15, 1991, which requires the Department on Aging to "...seek appropriate amendments under Section 1915 and 1024 of the Social Security Act...to extend eligibility for home and community based services under (the Medicaid waiver) to persons who transfer to or for the benefit of a spouse those amounts of income and resources allowed under Section 1924 of the Social Security Act."

These amendments shall serve as a vehicle for allowing married spouses to remain together in their own home. Without this programmatic change, should one spouse become in need of long term care services, in order to maintain an adequate estate and monthly available income, the only choices available to the couple would be limited to:

1) admitting the spouse needing services to an institutional setting in order to qualify for Medicaid and allow the spouse remaining in the community to have income and assets diverted for his/her benefit; or

2) utilizing available resources to pay for necessary services to allow the spouse needing service to remain in the home, thus risking reducing, eventually, their estate to an allowable community welfare level.

The incorporation of these provisions into the Community Care Program will benefit both applicants/clients and their families by allowing them to utilize the lower cost home and community based services to meet their needs rather than compelling them to be otherwise inappropriately institutionalized.

16) Information and questions regarding this adopted amendment shall be directed to:

Ms. Pamela W. Balmer, Assistant
Office of General Counsel
Illinois Department on Aging
421 East Capitol Avenue #100
Springfield, IL 62701-1789
(217) 785-3346

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

The full text of the Adopted Amendment(s) begins on the next page:

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER II: DEPARTMENT ON AGING

PART 240
COMMUNITY CARE PROGRAM

SUBPART A: GENERAL PROGRAM PROVISIONS

SUBPART B: SERVICE DEFINITIONS

SUBPART C: RIGHTS AND RESPONSIBILITIES

SUBPART D: APPEALS

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NOTICE OF ADOPTED AMENDMENTS

SUBPART E: APPLICATION

SUBPART F: ELIGIBILITY

SUBPART G: NON-FINANCIAL REQUIREMENTS

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SUBPART H: FINANCIAL REQUIREMENTS

SUBPART I: DISPOSITION OF DETERMINATION

SUBPART J: SPECIAL SERVICES

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NOTICE OF ADOPTED AMENDMENTS

SUBPART K: TRANSFERS

SUBPART L: ADMINISTRATIVE SERVICE CONTRACT

SUBPART M: CASE COORDINATION UNITS AND VENDORS

SUBPART N: CASE COORDINATION UNITS

SUBPART O: PROVIDERS

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SUBPART P: PROVIDER PROCUREMENT

SUBPART Q: CASE COORDINATION UNIT PROCUREMENT

SUBPART R: ADVISORY COMMITTEE

SUBPART S: RATES

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

SUBPART T: FINANCIAL REPORTING

AUTHORITY: Implementing Section 4.02 and authorized by Section 4.01(1) of the Illinois Act on the Aging [20 ILCS 105/4.02 and 4.01(1)].

SOURCE: Emergency rules adopted at 4 Ill. Reg. 1, p. 67, effective December 20, 1979, for a maximum of 150 days; adopted at 4 Ill. Reg. 17, p. 151, effective April 25, 1980; amended at 4 Ill. Reg. 43, p. 86, effective October 15, 1980; emergency amendments at 5 Ill. Reg. 1900, effective February 18, 1981, for a maximum of 150 days; amended at 5 Ill. Reg. 12090, effective October 26, 1981; emergency amendments at 6 Ill. Reg. 8455, effective July 6, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 14953, effective December 1, 1982; amended at 7 Ill. Reg. 8697, effective July 20, 1983; codified at 8 Ill. Reg. 2633; amended at 9 Ill. Reg. 1739, effective January 29, 1985; amended at 9 Ill. Reg. 10208, effective July 1, 1985; emergency amendments at 9 Ill. Reg. 14011, effective August 29, 1985, for a maximum of 150 days; amended at 10 Ill. Reg. 5076, effective March 15, 1986; recodified at 12 Ill. Reg. 7980; amended at 13 Ill. Reg. 11193, effective July 1, 1989; emergency amendments at 13 Ill. Reg. 13638, effective August 18, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 17327, effective November 1, 1989; amended at 14 Ill. Reg. 1233, effective January 12, 1990; amended at 14 Ill. Reg. 10732, effective July 1, 1990; emergency amendments at 15 Ill. Reg. 2838, effective February 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 10351, effective July 1, 1991; emergency amendments at 15 Ill. Reg. 14593, effective October 1, 1991 for a maximum of 150 days; emergency amendments at 15 Ill. Reg. 17398, effective November 15, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 18568, effective December 13, 1991; emergency amendments suspended at 16 Ill. Reg. 1744; emergency amendments at 16 Ill. Reg. 2630, effective February 1, 1992, for a maximum of 150 days; emergency amendments modified and reinstated at 16 Ill. Reg. 2943; emergency amendments at 16 Ill. Reg. 2901, effective February 6, 1992, to expire June 30, 1992; emergency amendments at 16 Ill. Reg. 4069, effective February 28, 1992, to expire June 30, 1992; amended at 16 Ill. Reg. 11403, effective June 30, 1992; emergency amendments at 16 Ill. Reg. 11625, effective July 1, 1992, for a

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

maximum of 150 days; amended at 16 Ill. Reg. 11731, effective June 30, 1992; emergency rule added at 16 Ill. Reg. 12615, effective July 23, 1992, for a maximum of 150 days; modified at 16 Ill. Reg. 16680; amended at 16 Ill. Reg. 14565, effective September 8, 1992; amended at 16 Ill. Reg. 18767, effective November 27, 1992; amended at 17 Ill. Reg. 224, effective December 29, 1992; amended at 17 Ill. Reg. 6090, effective April 7, 1993; amended at 18 Ill. Reg. 609, effective February 1, 1994; emergency amendment at 18 Ill. Reg. 5348, effective March 22, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 13375, effective August 19, 1994; amended at 19 Ill. Reg. 9085, effective JUL 1 1995.

SUBPART H: FINANCIAL REQUIREMENTS

Section 240.810 Assets

a) To be eligible to receive Community Care Program (CCP) services, an applicant/client shall not own interest in non-exempt assets having a combined value in excess of $10,000, if:
   1) unmarried; or
   2) married and spouse is receiving CCP services.
   EXCEPTION: An applicant/client, who is married and the spouse does not receive CCP services, shall not own interest in non-exempt assets having a total in excess of the amount allowed for Medicaid eligibility.

b) The value of non-exempt assets shall be considered in determining eligibility for the Community Care Program.

c) All assets not specifically exempt are non-exempt.

d) In order for the applicant/client to be eligible in accordance with the EXCEPTION under subsection (a) above, the allowable non-exempt assets, valued in excess of the Medicaid eligibility limit, must be transferred to or for the sole benefit of the community spouse, but the amount of non-exempt assets transferred to the community spouse cannot result in the community spouse's non-exempt assets exceeding the Community Spouse Asset Allowance as adopted by the Illinois Department of Public Aid at 89 Ill. Adm. Code 120.379(d).

e)~~d)~~ When a client's non-exempt assets are greater than the allowable disregard as specified in subsection (a) above, ~~i.e., $10,000 non-exempt assets),~~ consideration of non-liquid assets may be deferred as follows:
   1) real property may be deferred from consideration for 6 months;
   2) the client shall sign an agreement to dispose of the real property in excess of the allowable disregard within 6 months from the date of the agreement; and
   3) the 6 month period for disposition may be extended an additional 6 months if the client fails to dispose of the asset (through no fault of his/her own) despite reasonable and diligent effort.

(Source: Amended at 19 Ill. Reg. 9085, effective

DEPARTMENT ON AGING

NOTICE OF ADOPTED AMENDMENTS

JUL 1 1995)

Section 240.825 Income

a) Documentation of all currently available income which is not specified as exempt shall be provided during the applicant's/client's determination/redetermination of eligibility for the Community Care Program (CCP).

b) The first $25.00 of ~~a client's~~ earned or unearned income (other than Supplemental Security Income (SSI) or contributions from a spouse or other individual) is exempt from consideration in determining the monthly expense for care to be assessed in accordance with Section 240.855 of this Part ~~eligibility~~. A client is eligible for only one $25.00 exemption regardless of the types or sources of earned or unearned income.

c) In accordance with provisions of 89 Ill. Adm. Code 120.379, an applicant/client whose spouse (i.e., community spouse) is not receiving CCP services, may divert income to his/her spouse so that the spouse may have exempt income up to the amount exempted by the Illinois Department of Public Aid, at 89 Ill. Adm. Code 120.379(e), for a community spouse. This income shall be exempt in determining the monthly expense for care to be assessed the CCP applicant/client.

d) Except for income exempted in accordance with subsection (a) above, all income diverted in accordance with provisions of 89 Ill. Adm. Code 120.379 from a spouse who resides in a long term care facility to a CCP applicant/client shall be considered in determining the monthly expense for the care to be assessed the CCP applicant/client.

(Source: Amended at 19 Ill. Reg. 9085, effective JUL 1 1995)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Pay Plan

2) Code Citation: 80 Ill. Adm. Code 310

3)

Section Numbers:	Adopted Action:
310.110	Amended
310.130	Amended
310.Appendix B	Amended

4) Statutory Authority: Authorized by Section 8a.2 of the Personnel Code and 20 ILCS 415/8 and 8a.

5) Effective Date of amendment: June 27. 1995

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: June 27, 1995

9) Notice of Proposal Published in Illinois Register:
April 7, 1995, Issue #14, 19 Ill. Reg. 5165

10) Has JCAR issued a Statement of Objections to these rules? No

11) Difference(s) between proposal and final version:

The Administrative Code Division recommended that the source notes be updated and in Section 310.Appendix B that the inclusion of "Effective July 1, 1994" which was shown stricken should be deleted since this is not currently on file.

Also in Section 310.Appendix B, the Joint Committee on Administrative Rules recommended that the annual salaries to the Schedule of Salary Grades be deleted. The Table of Contents and Section 310.110 were revised to read "Schedule of Salary Grades - Monthly Rates of Pay for Fiscal Year 1996", omitting the reference to annual salaries.

12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? No

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking:

These amendments to the Department of Central Management Services' Pay Plan

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

reflect the Fiscal Year 1996 Pay Plan changes that affect those employees subject to the Schedule of Salary Grades. The following Sections are being amended:

In Section 310.110, Implementation of Pay Plan Changes for Fiscal Year 1995, the fiscal year to which the changes apply was revised from Fiscal Year 1995 to Fiscal Year 1996. Paragraph "c)" was revised to reflect that the minimum for each salary range that was in effect as of July 1, 1994, will remain the same and be put into the Fiscal Year 1996 Schedule of Salary Grades as Step 1b.

In Section 310.130, Effective Date, the date of the Pay Plan narrative, Schedule of Rates and the Schedule of Salary Grades will change form July 1, 1994 to July 1, 1995.

In Section 310.Appendix B, the Schedule of Salary Grades was revised to include the same general increase of 3% that the AFSCME Collective Bargaining Units will be recieving for July 1, 1995, to maintain alignment.

16) Information and questions regarding these adopted amendments shall be directed to:

Name: Mr. Michael Murphy
Address: Department of Central Management Services
Division of Technical Services
504 William G. Stratton Building
Springfield, Illinois 62706
Telephone: (217) 782-5601

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE B: PERSONNEL RULES, PAY PLANS, AND POSITION CLASSIFICATIONS
CHAPTER I: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 310
PAY PLAN

SUBPART A: NARRATIVE

SUBPART B: SCHEDULE OF RATES

SUBPART C: MERIT COMPENSATION SYSTEM

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

AUTHORITY: Implementing and authorized by Section 8a of the Personnel Code [20 ILCS 415/8a].

SOURCE: Filed June 28, 1967; codified at 8 Ill. Reg. 1558; emergency amendment at 8 Ill. Reg. 1990, effective January 31, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 2440, effective February 15, 1984; emergency amendment at 8 Ill. Reg. 3348, effective March 5, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 4249, effective March 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 5704, effective April 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 7290, effective May 11, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 11299, effective June 25, 1984; emergency amendment at 8 Ill. Reg. 12616, effective July 1, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 15007, effective August 6, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 15367, effective August 13, 1984; emergency amendment at 8 Ill. Reg. 21310, effective October 10, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 21544, effective October 24, 1984; amended at 8 Ill. Reg. 22844, effective November 14, 1984; emergency amendment at 9 Ill. Reg. 1134, effective January 16, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 1320, effective January 23, 1985; amended at 9 Ill. Reg. 3681, effective March 12, 1985; emergency amendment at 9 Ill. Reg. 4163, effective March 15, 1985, for a maximum of 150 days; emergency amendment at 9 Ill. Reg. 9231, effective May 31, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 9420, effective June 7, 1985; amended at 9 Ill. Reg. 10663, effective July 1, 1985; emergency amendment at 9 Ill. Reg 15043, effective September 24, 1985, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 3325, effective January 22, 1986; amended at 10 Ill. Reg. 3230, effective January 24, 1986; emergency amendment at 10 Ill. Reg. 8904, effective May 13, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 8928, effective May 13, 1986; emergency amendment at 10 Ill. Reg. 12090, effective June 30, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 13675, effective July 31, 1986; peremptory amendment at 10 Ill. Reg. 14867, effective August 26, 1986; amended at 10 Ill. Reg. 15567, effective September 17, 1986; emergency amendment at 10 Ill. Reg. 17765, effective September 30, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 19132, effective October 28, 1986; peremptory amendment at 10 Ill. Reg. 21097, effective December 9, 1986; amended at 11 Ill. Reg. 648, effective December 22, 1986; peremptory amendment at 11 Ill. Reg. 3363, effective February 3, 1987; peremptory amendment at 11 Ill. Reg. 4388,

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effective February 27, 1987; peremptory amendment at 11 Ill. Reg. 6291, effective March 23, 1987; amended at 11 Ill. Reg. 5901, effective March 24, 1987; emergency amendment at 11 Ill. Reg. 8787, effective April 15, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 11830, effective July 1, 1987, for a maximum of 150 days; peremptory amendment at 11 Ill. Reg. 13675, effective July 29, 1987; amended at 11 Ill. Reg. 14984, effective August 27, 1987; peremptory amendment at 11 Ill. Reg. 15273, effective September 1, 1987; peremptory amendment 11 Ill. Reg. 17919, effective October 19, 1987; peremptory amendment at 11 Ill. Reg. 19812, effective November 19, 1987; emergency amendment at 11 Ill. Reg. 20664, effective December 4, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20778, effective December 11, 1987; peremptory amendment at 12 Ill. Reg. 3811, effective January 27, 1988; peremptory amendment at 12 Ill. Reg. 5459, effective March 3, 1988; amended at 12 Ill. Reg. 6073, effective March 21, 1988; peremptory amendment at 12 Ill. Reg. 7783, effective April 14, 1988; emergency amendment at 12 Ill. Reg. 7734, effective April 15, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 8135, effective April 22, 1988; peremptory amendment at 12 Ill. Reg. 9745, effective May 23, 1988; emergency amendment at 12 Ill. Reg. 11778, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 12895, effective July 18, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 13306, effective July 27, 1988; corrected at 12 Ill. Reg. 13359; amended at 12 Ill. Reg. 14630, effective September 6, 1988; amended at 12 Ill. Reg. 20449, effective November 28, 1988; peremptory amendment at 12 Ill. Reg. 20584, effective November 28, 1988; peremptory amendment at 13 Ill. Reg. 8080, effective May 10, 1989; amended at 13 Ill. Reg. 8849, effective May 30, 1989; peremptory amendment at 13 Ill. Reg. 8970, effective May 26, 1989; emergency amendment at 13 Ill. Reg. 10967, effective June 20, 1989, for a maximum of 150 days; emergency amendment expired on November 17, 1989; amended at 13 Ill. Reg. 11451, effective June 28, 1989; emergency amendment at 13 Ill. Reg. 11854, effective July 1, 1989, for a maximum of 150 days; corrected at 13 Ill. Reg. 12647; peremptory amendment at 13 Ill. Reg. 12887, effective July 24, 1989; amended at 13 Ill. Reg. 16950, effective October 20, 1989; amended at 13 Ill. Reg. 19221, effective December 12, 1989; amended at 14 Ill. Reg. 615, effective January 2, 1990; peremptory amendment at 14 Ill. Reg. 1627, effective January 11, 1990; amended at 14 Ill. Reg. 4455, effective March 12, 1990; peremptory amendment at 14 Ill. Reg. 7652, effective May 7, 1990; amended at 14 Ill. Reg. 10002, effective June 11, 1990; emergency amendment at 14 Ill. Reg. 11330, effective June 29, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14361, effective August 24, 1990; emergency amendment at 14 Ill. Reg. 15570, effective September 11, 1990, for a maximum of 150 days; emergency amendment expired on February 8, 1991; corrected at 14 Ill. Reg. 16092; peremptory amendment at 14 Ill. Reg. 17098, effective September 26, 1990; amended at 14 Ill. Reg. 17189, effective October 2, 1990; amended at 14 Ill. Reg. 17189, effective October 19, 1990; amended at 14 Ill. Reg. 18719, effective November 13, 1990; peremptory amendment at 14 Ill. Reg. 18854, effective November 13, 1990; peremptory amendment at 15 Ill. Reg. 663, effective January 7, 1991; amended at 15 Ill. Reg. 3296, effective February 14, 1991; amended at 15 Ill. Reg. 4401, effective March 11, 1991; peremptory

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NOTICE OF ADOPTED AMENDMENTS

amendment at 15 Ill. Reg. 5100, effective March 20, 1991; peremptory amendment at 15 Ill. Reg. 5465, effective April 2, 1991; emergency amendment at 15 Ill. Reg. 10485, effective July 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 11080, effective July 19, 1991; amended at 15 Ill. Reg. 13080, effective August 21, 1991; amended at 15 Ill. Reg. 14210, effective September 23, 1991; emergency amendment at 16 Ill. Reg. 711, effective December 26, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 3450, effective February 20, 1992; peremptory amendment at 16 Ill. Reg. 5068, effective March 11, 1992; peremptory amendment at 16 Ill. Reg. 7056, effective April 20, 1992; emergency amendment at 16 Ill. Reg. 8239, effective May 19, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 8382, effective May 26, 1992; emergency amendment at 16 Ill. Reg. 13950, effective August 19, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 14452, effective September 4, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 238, effective December 23, 1992; peremptory amendment at 17 Ill. Reg. 498, effective December 18, 1992; amended at 17 Ill. Reg. 590, effective January 4, 1993; amended at 17 Ill. Reg. 1819, effective February 2, 1993; amended at 17 Ill. Reg. 6441, effective April 8, 1993; emergency amendment at 17 Ill. Reg. 12900, effective July 22, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 13409, effective July 29, 1993; emergency amendment at 17 Ill. Reg. 13789, effective August 9, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 14666, effective August 26, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 19103, effective October 25, 1993; emergency amendment at 17 Ill. Reg. 21858, effective December 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 22514, effective December 15, 1993; amended at 18 Ill. Reg. 227, effective December 17, 1993; amended at 18 Ill. Reg. 1107, effective January 18, 1994; amended at 18 Ill. Reg. 5146, effective March 21, 1994; peremptory amendment at 18 Ill. Reg. 9562, effective June 13, 1994; emergency amendment at 18 Ill. Reg. 11299, effective July 1, 1994, for a maximum of 150 days; peremptory amendment at 18 Ill. Reg. 13476, effective August 17, 1994; emergency amendment at 18 Ill. Reg. 14417, effective September 9, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16545, effective October 31, 1994; peremptory amendment at 18 Ill. Reg. 16708, effective October 28, 1994; amended at 18 Ill. Reg. 17191, effective November 21, 1994; amended at 19 Ill. Reg. 1024, effective January 24, 1995; peremptory amendment at 19 Ill. Reg. 2481, effective February 17, 1995; peremptory amendment at 19 Ill. Reg. 3073, effective February 17, 1995; amended at 19 Ill. Reg. 3456, effective March 7, 1995; peremptory amendment at 19 Ill. Reg. 5145, effective March 14, 1995; amended at 19 Ill. Reg. 6452, effective May 2, 1995; peremptory amendment at 19 Ill. Reg. 6688, effective May 1, 1995; amended at 19 Ill. Reg. 7841, effective June 1, 1995; amended at 19 Ill. Reg. 8156, effective June 12, 1995; amended at 19 Ill. Reg. 9096, effective JUN 27 1995.

SUBPART A: NARRATIVE

Section 310.110 Implementation of Pay Plan Changes for Fiscal Year ~~1995~~ 1996

a) The rates of pay for all employees occupying positions subject to the

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

Schedule of Salary Grades shall be as set out in Appendix B, Schedule of Salary Grades -- Monthly ~~and Annual~~ Rates of Pay for Fiscal Year ~~1995~~ 1996.

b) Any employee who received a salary payment for part of Fiscal Year ~~1994~~ 1995 that did not reflect the rates in Section 310.Appendix B for Fiscal Year ~~1995~~ 1996, shall receive a lump sum payment equal to the difference between what was initially paid and what is appropriate per that provision.

c) The ~~Step-1~~ Step 1a rate for each salary range that was in effect as of July 1, ~~1993~~ 1994, will remain the same and be put into the Fiscal Year ~~1995~~ 1996 Schedule of Salary Grades as ~~Step-1a~~ Step 1b.

(Source: Amended at 19 Ill. Reg. 9096, effective JUN 27 1995)

Section 310.130 Effective Date

The effective date of this Pay Plan Narrative (Subpart A), Schedule of Rates (Subpart B), and Schedule of Salary Grades (Appendix B), shall be July 1, ~~1993~~ 1995.

(Source: Amended at 19 Ill. Reg. 9096, effective JUN 27 1995)

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NOTICE OF ADOPTED AMENDMENTS

Section 310.APPENDIX B Schedule of Salary Grades -- Monthly ~~and Annual~~ Rates of Pay for Fiscal Year ~~1995~~ 1996

Grade	Minimum Step-~~1a~~ 1	Step-~~1~~ 2	Step-~~2~~ 3	Step-~~3~~ 4	Step-~~4~~ 5	Step-~~5~~ 6	Step-~~6~~ 7	Maximum Step-~~7~~ 8
~~1~~ 1	~~1,284~~	~~1,323~~	~~1,364~~	~~1,401~~	~~1,441~~	~~1,487~~	~~1,526~~	~~1,598~~
	~~15,408~~	~~15,876~~	~~16,368~~	~~16,812~~	~~17,292~~	~~17,844~~	~~18,312~~	~~19,176~~
~~2~~ 2	~~1,324~~	~~1,364~~	~~1,401~~	~~1,441~~	~~1,489~~	~~1,532~~	~~1,574~~	~~1,647~~
	~~15,888~~	~~16,368~~	~~16,812~~	~~17,292~~	~~17,868~~	~~18,384~~	~~18,888~~	~~19,764~~
~~3~~ 3	~~1,360~~	~~1,401~~	~~1,441~~	~~1,490~~	~~1,535~~	~~1,578~~	~~1,623~~	~~1,707~~
	~~16,320~~	~~16,812~~	~~17,292~~	~~17,880~~	~~18,420~~	~~18,936~~	~~19,476~~	~~20,484~~
~~4~~ 4	~~1,399~~	~~1,441~~	~~1,490~~	~~1,538~~	~~1,582~~	~~1,635~~	~~1,680~~	~~1,766~~
	~~16,788~~	~~17,292~~	~~17,880~~	~~18,456~~	~~18,984~~	~~19,620~~	~~20,160~~	~~21,192~~
~~5~~ 5	~~1,447~~	~~1,490~~	~~1,540~~	~~1,591~~	~~1,642~~	~~1,690~~	~~1,740~~	~~1,826~~
	~~17,634~~	~~17,880~~	~~18,480~~	~~19,092~~	~~19,704~~	~~20,280~~	~~20,880~~	~~21,912~~
~~6~~ 6	~~1,495~~	~~1,540~~	~~1,592~~	~~1,644~~	~~1,700~~	~~1,753~~	~~1,810~~	~~1,901~~
	~~17,940~~	~~18,480~~	~~19,104~~	~~19,728~~	~~20,400~~	~~21,036~~	~~21,720~~	~~22,812~~
~~7~~ 7	~~1,546~~	~~1,592~~	~~1,647~~	~~1,705~~	~~1,763~~	~~1,820~~	~~1,881~~	~~1,982~~
	~~18,552~~	~~19,104~~	~~19,764~~	~~20,460~~	~~21,156~~	~~21,840~~	~~22,572~~	~~23,784~~
~~8~~ 8	~~1,599~~	~~1,647~~	~~1,710~~	~~1,771~~	~~1,838~~	~~1,897~~	~~1,962~~	~~2,066~~
	~~19,188~~	~~19,764~~	~~20,520~~	~~21,252~~	~~22,056~~	~~22,764~~	~~23,544~~	~~24,792~~
~~9~~ 9	~~1,660~~	~~1,710~~	~~1,774~~	~~1,843~~	~~1,909~~	~~1,981~~	~~2,049~~	~~2,155~~
	~~19,920~~	~~20,520~~	~~21,288~~	~~22,116~~	~~22,908~~	~~23,772~~	~~24,588~~	~~25,860~~
~~10~~ 10	~~1,724~~	~~1,776~~	~~1,853~~	~~1,920~~	~~1,993~~	~~2,063~~	~~2,130~~	~~2,256~~
	~~20,688~~	~~21,312~~	~~22,236~~	~~23,040~~	~~24,916~~	~~24,756~~	~~25,656~~	~~27,072~~
~~11~~ 11	~~1,800~~	~~1,854~~	~~1,931~~	~~2,002~~	~~2,084~~	~~2,161~~	~~2,235~~	~~2,360~~
	~~21,600~~	~~22,248~~	~~23,172~~	~~24,024~~	~~25,008~~	~~25,932~~	~~26,820~~	~~28,320~~
~~12~~ 12	~~1,885~~	~~1,942~~	~~2,024~~	~~2,100~~	~~2,187~~	~~2,267~~	~~2,353~~	~~2,484~~
	~~22,620~~	~~23,304~~	~~24,288~~	~~25,200~~	~~26,244~~	~~27,204~~	~~28,236~~	~~29,808~~
~~13~~ 13	~~1,967~~	~~2,026~~	~~2,112~~	~~2,202~~	~~2,291~~	~~2,378~~	~~2,469~~	~~2,609~~
	~~23,604~~	~~24,312~~	~~25,344~~	~~26,424~~	~~27,492~~	~~28,536~~	~~29,628~~	~~31,308~~
~~14~~ 14	~~2,062~~	~~2,124~~	~~2,216~~	~~2,309~~	~~2,412~~	~~2,504~~	~~2,601~~	~~2,751~~
	~~24,744~~	~~25,488~~	~~26,592~~	~~27,708~~	~~28,944~~	~~30,048~~	~~31,212~~	~~33,012~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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Grade	Minimum Step 1a 1/	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Maximum Step 7
15	2,153	2,218	2,321	2,422	2,521	2,624	2,722	2,804
	25,836	26,616	27,852	29,064	30,252	31,488	32,664	34,608
16	2,262	2,330	2,438	2,549	2,655	2,766	2,877	3,047
	27,144	27,960	29,256	30,588	31,860	33,192	34,524	36,564
17	2,373	2,444	2,561	2,680	2,792	2,906	3,024	3,204
	28,476	29,328	30,732	32,160	33,504	34,872	36,288	38,448
18	2,501	2,576	2,702	2,827	2,955	3,077	3,199	3,389
	30,012	30,912	32,424	33,924	35,460	36,924	38,388	40,668
19	2,637	2,716	2,854	2,988	3,126	3,258	3,395	3,600
	31,644	32,592	34,248	35,856	37,512	39,096	40,740	43,200
20	2,786	2,870	3,014	3,155	3,305	3,447	3,589	3,809
	33,432	34,440	36,168	37,860	39,660	41,364	43,068	45,708
21	2,942	3,030	3,186	3,340	3,495	3,654	3,806	4,043
	35,304	36,360	38,232	40,080	41,940	43,848	45,672	48,516
22	3,110	3,203	3,370	3,535	3,701	3,872	4,035	4,285
	37,320	38,436	40,440	42,420	44,412	46,464	48,420	51,420
23	3,299	3,398	3,578	3,761	3,939	4,121	4,300	4,570
	39,588	40,776	42,936	45,132	47,268	49,452	51,600	54,840

1/ Entry level step for current Fiscal Year.

Effective July 1, 1995

Salary Grade	Minimum Step 1b	Step 1a	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Maximum Step 7
1	1,284	1,323	1,363	1,405	1,443	1,484	1,532	1,572	1,646
2	1,324	1,364	1,405	1,443	1,484	1,534	1,578	1,621	1,696
3	1,360	1,401	1,443	1,484	1,535	1,581	1,625	1,672	1,758
4	1,399	1,441	1,484	1,535	1,584	1,629	1,684	1,730	1,819
5	1,447	1,490	1,535	1,586	1,639	1,691	1,741	1,792	1,881
6	1,495	1,540	1,586	1,640	1,693	1,751	1,806	1,864	1,958

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Salary Grade	Minimum Step 1b	Step 1a	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Maximum Step 7
7	1,546	1,592	1,640	1,696	1,756	1,816	1,875	1,937	2,041
8	1,599	1,647	1,696	1,761	1,824	1,893	1,954	2,021	2,128
9	1,660	1,710	1,761	1,827	1,898	1,966	2,040	2,110	2,220
10	1,724	1,776	1,829	1,909	1,978	2,053	2,125	2,202	2,324
11	1,800	1,854	1,910	1,989	2,062	2,147	2,226	2,302	2,431
12	1,885	1,942	2,000	2,085	2,163	2,253	2,335	2,424	2,559
13	1,967	2,026	2,087	2,175	2,268	2,360	2,449	2,543	2,687
14	2,062	2,124	2,188	2,282	2,378	2,484	2,579	2,679	2,834
15	2,153	2,218	2,285	2,391	2,495	2,597	2,703	2,804	2,971
16	2,262	2,330	2,400	2,511	2,625	2,735	2,849	2,963	3,138
17	2,373	2,444	2,517	2,638	2,760	2,876	2,993	3,115	3,300
18	2,501	2,576	2,653	2,783	2,912	3,044	3,169	3,295	3,491
19	2,637	2,716	2,797	2,940	3,078	3,220	3,356	3,497	3,708
20	2,786	2,870	2,956	3,104	3,250	3,404	3,550	3,697	3,923
21	2,942	3,030	3,121	3,282	3,440	3,600	3,764	3,920	4,164
22	3,110	3,203	3,299	3,471	3,641	3,812	3,988	4,156	4,414
23	3,299	3,398	3,500	3,685	3,874	4,057	4,245	4,429	4,707

Step 1b: Entry level step for current Fiscal Year.

(Source: Amended at 19 Ill. Reg. 9096, effective JUN 27 1995)

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Services Delivered by the Department

2) Code Citation: 89 Ill. Adm. Code 302

3) Section Numbers: Adopted Action:

302.310 Amend

4) Statutory Authority: Section 5 of the Children and Family Services Act [20 ILCS 505/5]

5) Effective Date of Amendments: June 30, 1995

6) Does this rulemaking contain an automatic repeal date? No

7) Do these proposed amendments contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: June 30, 1995

9) Notice of Proposal Published in Illinois Register:

February 17, 1995 19 Ill. Reg. 1372

10) Has JCAR issued a Statement of Objections to these rules? No

11) Difference between proposal and final version: Minor editing changes were made in accordance with requests from the Joint Committee on Administrative Rules and the Administrative Code Division.

12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will these amendments replace an emergency rule currently in effect? No

14) Are there any amendments pending on this Part?

Section Numbers	Proposed Action	Illinois Register Citation
302.20	Amend	19 Ill. Reg. 3730, March 24, 1995
302.40	Amend	19 Ill. Reg. 3730, March 24, 1995
302.320	Amend	19 Ill. Reg. 3730, March 24, 1995
302.330	Amend	19 Ill. Reg. 3730, March 24, 1995
302.340	Amend	19 Ill. Reg. 3730, March 24, 1995
302.370	Amend	19 Ill. Reg. 3730, March 24, 1995
302.390	Repeal	19 Ill. Reg. 3730, March 24, 1995

15) Summary and Purpose of Amendments: The Department adopted emergency amendments which required that families adopting special needs children

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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shall be eligible to receive $1.00 less than the amount the child had received for care and maintenance prior to the adoption. With these amendments, family income and size of family no longer affect the monthly adoption assistance payment available to the family on behalf of the child. The Department is now adopting those amendments permanently.

16) Information and questions regarding these adopted amendments shall be directed to:

Jacqueline Nottingnam
Chief, Office of Rules and Procedures
Department of Children and Family Services
406 East Monroe, Station # 222
Springfield, Illinois 62701-1498
(217) 524-1983
TTY: (217) 524-3715

The full text of the adopted amendments begins on the next page:

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SUBCHAPTER a: SERVICE DELIVERY

PART 302
SERVICES DELIVERED BY THE DEPARTMENT

SUBPART A: GENERAL PROVISIONS

SUBPART B: REPORTS OF SUSPECTED CHILD ABUSE OR NEGLECT (RECODIFIED)

SUBPART C: DEPARTMENT CHILD WELFARE SERVICES

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

SUBPART D: INTENSIVE FAMILY PRESERVATION SERVICES

AUTHORITY: Authorized by Section 5 of and implementing the Children and Family Services Act [20 ILCS 505]; Section 3-6-2(g) of the Unified Code of Corrections [730 ILCS 5/3-6-2(g)]; the Illinois Alcoholism and Dangerous Drug Dependency Act [20 ILCS 350]; the Adoption Assistance and Child Welfare Act of 1980 (42 U.S.C.A. 670 et seq. and 45 CFR 1356.40 and 1356.41); the Juvenile Court Act of 1987 [705 ILCS 405]; and the Adoption Act [750 ILCS 50].

SOURCE: Adopted and codified at 5 Ill. Reg. 13188, effective November 30, 1981; amended at 6 Ill. Reg. 15529, effective January 1, 1983; recodified at 8 Ill. Reg. 992; peremptory amendment at 8 Ill. Reg. 5373, effective April 12, 1984; amended at 8 Ill. Reg. 12143, effective July 9, 1984; amended at 9 Ill. Reg. 2467, effective March 1, 1985; amended at 9 Ill. Reg. 9104, effective June 14, 1985; amended at 9 Ill. Reg. 15820, effective November 1, 1985; amended at 10 Ill. Reg. 5557, effective April 15, 1986; amended at 11 Ill. Reg. 1390, effective January 13, 1987; amended at 11 Ill. Reg. 1551, effective January 14, 1987; amended at 11 Ill. Reg. 1829, effective January 15, 1987; recodified to 89 Ill. Adm. Code 300 at 11 Ill. Reg. 3492. Sections 302.20, 302.100, 302.110, 302.120, 302.130, 302.140, 302.150, 302.160, 302.170, 302.180, 302.190, Appendix A; amended at 13 Ill. Reg. 18847, effective November 15, 1989; amended at 14 Ill. Reg. 3438, effective March 1, 1990; amended at 14 Ill. Reg. 16430, effective September 25, 1990; amended at 14 Ill. Reg. 19010, effective November 15, 1990; amended at 17 Ill. Reg. 274, effective December 31, 1992; emergency amendment at 17 Ill. Reg. 2513, effective February 10, 1993, for a maximum of 150 days; emergency expired on July 9, 1993; amended at 17 Ill. Reg. 13438, effective July 31, 1993; amended at 19 Ill. Reg. 9107, effective JUN 30 1995.

SUBPART C: DEPARTMENT CHILD WELFARE SERVICES

Section 302.310 Adoption Assistance

a) Adoption assistance, also known as adoption subsidy, shall be offered to persons adopting special needs children:
   1) for whom the Department is legally responsible, or for whom the Department is not legally responsible who were eligible for Aid

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to Families with Dependent Children (AFDC) at the time the adoption petition was filed or who were eligible for Supplemental Security Income (SSI) prior to finalization of the adoption, and

2) who are legally free for adoption, and
3) who cannot or should not be returned to their parents' homes as determined by the standards delineated in 89 Ill. Adm. Code 305.100~~305.8~~, and
4) for whom adoption without adoption assistance is unlikely or has been unsuccessful, and
5) who have been placed in the adoptive home and for whom an adoption assistance agreement, in accordance with subsection (e), has been signed prior to finalization of the adoption.

b) Special needs children are those:
1) who have irreversible or non-correctable physical or mental handicaps; or
2) who have physical, mental or emotional handicaps correctable through surgery, treatment, or other specialized services; or
3) who are 6 years of age or older; or
4) who are 3 years of age or older and are members of racial minorities; or
5) who are members of a sibling group who are being placed together where at least one child meets one or more of the above criteria.

c) Types and amounts of adoption assistance are based on the needs of the child ~~and the circumstances of the family~~ and may include:
1) ongoing monthly payments not to exceed $1 less than the foster family care payment level which had been received or would be received if the child were in foster care as adjusted in accordance with subsection (d) below;
2) one-time only payment for services related to legally completing the adoption;
3) payments for those physical, emotional and mental health needs which are not wholly payable through insurance or other public resources and which are associated with or result from a medical condition(s) whose onset has been established as occurring prior to the completion of the adoption.

d) A prospective adoptive family being presented with a child determined to be a special needs child shall be made aware of the availability of adoption assistance, the types of assistance available, the amount of payment which may be available, based on the needs, age, and placement of the child and adjusted for any benefits, such as Social Security or Veteran's benefits which the child will be receiving. ~~and the circumstances of the family, and the methods used in determining the amount. Following a determination of the maximum amount available for payments, which is based on current family size, gross income and the age of the child to be adopted, the family and the Department shall determine the amount necessary to meet the child's needs, including basic care, up to the maximum described in subsection (c) (1).~~

e) The type(s), amount and duration of adoption assistance shall be

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agreed to in writing by the Department and the adoptive parent(s) prior to the finalization of the adoption. The duration of adoption assistance may not extend beyond age 18 years (for children adopted after the effective date of this Part) unless the child has a mental or physical disability ~~handicap~~. If the child adopted after the effective date of this Part has a mental or physical disability ~~handicap~~ and other assistance is not available, the assistance may be provided to age 21.

f) The adoptive parent(s) shall notify the Department when:
1) they are no longer legally responsible for the support of the child; or
2) the child is no longer receiving any financial support from the adoptive parent(s); or
3) the conditions for which periodic services were needed have changed; or
~~4) significant changes have occurred in the circumstances of the adoptive parent(s) to provide necessary care for the child; or~~
4)~~5)~~ the family has received notification of child's eligibility for certain benefits such as, social security, SSI, Veterans, railroad retirement or black lung benefits, etc. and the family has been named payee.

g) Adoption assistance payments shall be adjusted to reflect the above changes in circumstances. The Department shall annually review with the adoptive parent(s) the continuing need of the child for adoption assistance. Any adjustment in adoption assistance payments shall be made with prior written notice to the adoptive parent(s).

(Source: Amended at 19 Ill. Reg. 9107, effective JUN 30 1995)

ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Data Collections

2) Code Citation: 77 Ill. Adm. Code 2510

3) Section Numbers: Adopted Action:

2510.30	Amendment
2510.40	Amendment
2510.85	New
2510.Appendix A	Amendment

4) Statutory Authority: Section 2-3 of Article II and Section 4-2 of the Illinois Health Finance Reform Act [20 ILCS 2215/2-3 and 4-2].

5) Effective Date of Rulemaking: June 23, 1995

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: June 9, 1995

9) Notice of Proposal Published in Illinois Register: February 24, 1995, 19 Ill. Reg. 2189

10) Has JCAR issued a Statement of Objections to these rules? No

11) Difference(s) between proposal and final version: None

12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? No

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: The IHCCC is mandated by law to collect key specific financial data elements form Ill. Hosp. 1994, the Council's basic legislation was amended revising the data elements collected in keeping with current audit rules and generally accepted collections formats. These rules are designed to implement the new legislation.

16) Information and questions regarding these adopted amendments shall be directed to:

Brett Hagen
4500 S. 6th Street

ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL

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Suite 215
Springfield, IL 62703
(217) 786-7001

The full text of the Adopted Amendment begins on the next page:

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TITLE 77: PUBLIC HEALTH
CHAPTER XI: ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL

PART 2510
DATA COLLECTION

Section
2510.10 Purpose
2510.20 Outside Contractor
2510.30 Collection and Submission of Hospital Financial Data
2510.40 Submission of ~~Medicare~~ Medicaid Cost Reports
2510.50 Collection of Information on Uniform Billing Form
2510.55 Report of Inpatient Discharges
2510.60 Quarterly Reports
2510.70 Special Studies and Analysis
2510.80 Confidentiality
2510.85 Format of the Financial Data Report
2510.90 Hospital Review
APPENDIX A Illinois Health Care Cost Containment Council Annual Financial Data Report
APPENDIX B UB-82 Magnetic Media Record Format
APPENDIX C UB-82 Uniform Bill Data Fields
APPENDIX D UB-92 Magnetic Media Record Format
APPENDIX E UB-92 Uniform Bill Data Fields

AUTHORITY: Implementing Article IV and authorized by Section 2-3 of Article II of the Illinois Health Finance Reform Act [20 ILCS 2215/2-3 and Art. IV].

SOURCE: Adopted and codified at 9 Ill. Reg. 12726, effective August 5, 1985; amended at 10 Ill. Reg. 18790, effective October 17, 1986; amended at 11 Ill. Reg. 1574, effective January 2, 1987; amended at 12 Ill. Reg. 6102, effective March 21, 1988; amended at 13 Ill. Reg. 334, effective December 30, 1988; amended at 14 Ill. Reg. 2078, effective January 19, 1990; amended at 16 Ill. Reg. 8980, effective June 3, 1992; emergency amendment at 16 Ill. Reg. 19210, effective November 25, 1992, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 2031, effective January 29, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 9700, effective June 10, 1993; amended at 17 Ill. Reg. 9896, effective June 10, 1993; emergency amendment at 17 Ill. Reg. 14112, effective August 10, 1993, for a maximum of 150 days; emergency expired on January 7, 1994; amended at 18 Ill. Reg. 5300, effective March 21, 1994; emergency amendment at 18 Ill. Reg. 14809, effective September 12, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16810, effective November 4, 1994; amended at 19 Ill. Reg. 1825, effective February 6, 1995; amended at 19 Ill. Reg. 9117, effective JUN 23 1995.

Section 2510.30 Collection and Submission of Hospital Financial Data

a) Each ~~Within sixty (60) days of the effective date of this Part, each~~ hospital under the jurisdiction of the Council shall notify the Executive Director of the Council in writing of the date its fiscal year ends. By July 1, 1995 and within 60 days of the effective date of any change in the fiscal year end date for a hospital, the hospital shall inform the Council or its Agent by means of a certified letter signed by the hospital chief executive officer.

b) Hospitals shall file with the Council or its Agent the hospital specific financial information ~~in the form prescribed in subsection (d) below with the Council~~ on a form prescribed by the Council using definitions set forth in Appendix A of this Part no later than one hundred twenty (120) days after the end of its fiscal year. This requirement shall be deemed satisfied if the hospital files with the Council or its Agent, during the hospital's fiscal year, four consecutive reports of the Illinois Hospital and HealthSystems Association's current Quarterly Financial Data Set. The information shall be based upon audited financial statements of the appropriate corporate entity for which such statements are issued and shall be attested to by the chief executive officer of the hospital. Hospitals whose fiscal year ends ~~ended~~ after July 1, 1995 ~~31, 1984, but prior to the effective date of this Part~~, shall file the information on the form prescribed in subsection (d) below within one hundred twenty (120) days after the end of its fiscal year, ~~or within thirty (30) days of the effective date of this Part, whichever date is later~~. Hospitals may submit the required financial data to the Council or its Agent on a quarterly basis.

c) The hospital specific financial data collected by and furnished to the Council or designated corporation, association or entity pursuant to this Part, shall not be a public record under the ~~The~~ Freedom of Information Act ~~(Ill. Rev. Stat. 1985, ch. 116, pars. 201 et seq.)~~ [5 ILCS 140] except that total gross revenue, total deductions ~~for~~ from gross revenue and gross inpatient revenue as defined in subsection (d) below shall be released on a hospital specific basis. *All financial data collected by the Council from publicly available sources such as the HCFA Electronic Medicare Reports is releasable by the Council on a hospital specific basis when appropriate.* (Section 4-2(c) of the Illinois Health Finance Reform Act) It is the intent of the Act and of this Part to protect the proprietary information of hospitals.

d) Hospitals shall file hospital specific financial information ~~on the prescribed form found in Appendix A and using the definitions contained therein.~~ on the form prescribed by the Council, including all data elements set forth in Appendix A to this Part.

e) Nothing in this Part shall be construed so as to prohibit a hospital from using the services of an agent for the submission of financial data to the Council or its Agent, provided that the agent submits the data to the Council within 48 hours after receipt from the hospital, in the same form as it was submitted by the hospital. Hospitals using the services of an agent are not to be construed as complying with the provisions of the Illinois Health Finance Reform Act or the Illinois

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Administrative Code until the data are received at the Council and pass validity checks established by the Council.

(Source: Amended at 19 Ill. Reg. 9117, effective JUN 23 1995)

Section 2510.40 Submission of ~~Medicare~~ Medicaid Cost Reports

a) For fiscal years or other reporting periods ending on or after July 1, 1995 ~~the effective date of this Part~~, each hospital under the jurisdiction of the Council shall file with the Council:
   1) a copy of the hospital's ~~Health Care Finance Administration Medicare~~ Medicaid Cost Report ~~(HCFA-Form-2552)~~ at the same time the hospital submits its ~~Medicare~~ Medicaid Cost Report to ~~its Medicare fiscal intermediary;~~ the Illinois Department of Public Aid, and
   2) a copy of any settled Medicaid ~~Medicare~~ Cost Report upon receipt by the hospital of a notice of program reimbursement from ~~its fiscal intermediary;~~ the Illinois Department of Public Aid.

b) A hospital ~~Hospitals~~ whose fiscal year ends ~~ended~~ after July 1, 1995 ~~31, 1984, but prior to the effective date of this Part~~, shall file its ~~Medicare~~ Medicaid Cost Report at the same time the hospital submits its ~~Medicare~~ Medicaid Cost Report to ~~its Medicare fiscal intermediary~~ the Illinois Department of Public Aid ~~or within thirty (30) days of the effective date of this Part, whichever date is later~~.

(Source: Amended at 19 Ill. Reg. 9117, effective JUN 23 1995)

Section 2510.85 Format of the Financial Data Report

a) The Council or its Agent shall develop and distribute, on or near the fiscal year end date of record at the Council, a personal computer program which will allow hospitals to respond to questions asked by the computer program regarding the reported elements defined in this Part, as well as any other elements which hospitals or their agents volunteer to submit. The answers to these questions, entered by hospitals from the personal computer keyboard, edited by the appropriate software, and recorded on a computer diskette, when returned to the Council or its Agent and satisfying validity edits, constitute compliance with applicable provisions of the Illinois Health Finance Reform Act and with the provisions of this Part for all hospitals other than those permitted to file a paper form. The diskette distributed to hospitals shall be sent by certified mail to the Chief Financial Officer of the hospital. The final report will be submitted to the Council or its Agent by mail under cover of an attestation signed by the Chief Executive Officer of the hospital. This form will be provided by the Council or its Agent in the package

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containing the diskette.

b) Hospitals which do not have personal computer equipment capable of operating under the MS, PC, or DR DOS operating systems, and so attesting to the Council or its Agent, will be permitted to file the financial report on paper on the condition that the hospital submits an attestation form provided by the Council, signed by the Chief Executive Officer of the hospital and sent to the Council or its Agent. Upon receipt of such an attestation, the Council or its Agent will provide the hospital Chief Financial Officer with a paper form for completion of the report by way of certified mail.

(Source: Added at 19 Ill. Reg. 9117, effective JUN 23 1995)

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Section 2510.APPENDIX A Illinois Health Care Cost Containment Council Annual Financial Data Report

Hospital:_____

City:_____

Fiscal Year End:_____ Phone Number:_____

Person Completing Report:_____

All spaces must be completed prior to submission

1. Total gross revenue $_____

2. Total deductions from gross revenue $_____

A. Medicare contractual allowances $_____

B. Medicaid contractual allowances $_____

C. Other contractual allowances $_____

D. Bad debts and charity care $_____

E. Other deductions $_____

The method of computing Items 2-A-D shall be described by the hospital.

Use additional sheets if necessary.

3. Gross inpatient revenue $_____

4. Medicare gross revenue $_____

5. Medicaid and medical assistance gross revenue $_____

6. Total discharges $_____

ANNUAL FINANCIAL DATA REPORT

7. Medicare discharges _____

8. Medicaid, medical assistance discharges _____

9. Other discharges _____

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10. Total assets $_____

11. Total liabilities $_____

12. Total admission _____

13. Total patient days _____

14. Average length of stay _____

15. Total outpatient visits _____

16. Current ratio _____

17. Debt to equity ratio _____

18. Debt to net assets ratio _____

Attestation: I hereby attest that the above information is correct in accordance with the applicable instructions.

Chief Executive Officer:

Signature:_____ Date:_____

DEFINITIONS

1) Total gross revenue - full hospital charges for all hospital patient services before considering any deductions for bad debts, charity care or contractual allowances.

2A) Medicare contractual allowances - include revenue deductions incurred in treating medicare patients.

2B) Medicaid contractual allowances - include revenue deductions incurred in treating Medicaid, Medical Assistance No Grant ("MANG") and General assistance patients.

2C) Other contractual allowances - include revenue deductions incurred other than those from Medicare, Medicaid, MANG and General Assistance patients and bad debts and charity care.

2D) Bad debts - revenue amounts deemed uncollectible primarily because of a patient's unwillingness to pay as determined after collection efforts. Charity care - revenue amounts which represent the aggregate of the accounts written off when it is determined that a patient is unable to pay.

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~~2E) Other deductions - all other deductions from revenue for items such as courtesy, allowances, employee discounts and administrative writeoffs.~~

~~3) Gross inpatient revenue - full hospital charges to inpatients for hospital services before considering any deductions for bad debt, charity care or contractual allowances.~~

~~4) Medicare gross patient revenue - full hospital charges derived from Medicare including payments for routine and special care, ancillary and outpatient service revenue.~~

~~5) Medicaid, MANG and General Assistance gross revenue - gross revenue full hospital charges from Medicaid, MANG or General Assistance include payments for routine and special care, ancillary and outpatient service revenue.~~

~~6) Total discharges - the number of adult and pediatric inpatients discharged from the hospital during the reporting period including discharges from the routine and specialized areas of the hospital but excluding births and transfers between units.~~

~~7) Medicare discharges - the number of adult and pediatric inpatients whose principal payment source is Medicare discharged from the hospital during the reporting period including discharges from the routine and specialized areas of the hospital but excluding births and transfers between units.~~

~~8) Medicaid, MANG and General Assistance discharges - the number of adult and pediatric inpatients whose principal payment source is Medicaid, MANG or General Assistance discharged from the hospital during the reporting period including discharges from the routine and specialized areas of the hospital but excluding births and transfers between units.~~

~~9) Other discharges - the number of adult and pediatric inpatients whose principal payment source is not Medicare, Medicaid, MANG or General Assistance discharged from the hospital during the reporting period including discharges from the routine and specialized areas of the hospital but excluding births and transfers between units.~~

~~10) Total assets - total assets of the hospital.~~

~~11) Total liabilities - total liabilities of the hospital including all current and non current liabilities.~~

~~12) Total admissions - the number of adult and pediatric inpatients admitted to the hospital during the reporting period including admissions to the routine and specialized areas of the hospital but excluding births and transfers between units.~~

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~~13) Total patient days - a patient day is the unit of measure denoting lodging provided and services rendered to an inpatient between the census (usually at midnight) of two successive days. The day of discharge counts only when the patient was admitted the same day. For example, a patient who was admitted Wednesday afternoon and discharged Friday would have a count of two (2) patient days. Exclude newborn days from this count.~~

~~14) Average length of stay - this is the average period of time that an inpatient stays in the hospital for care and is calculated by dividing the total patient days (item 13) by the total discharges (item 6).~~

~~15) Total outpatient visits - a visit is defined as a patient receiving service in an outpatient area of the hospital. If a patient visits both the emergency room and an outpatient clinic on the same day, it is counted as two (2) visits.~~

~~16) Current ratio - the ratio of current assets to current liabilities of the hospital.~~

~~17) Long term debt to equity ratio - the ratio of long term liabilities (debt) to the hospital's fund balance.~~

~~18) Fixed asset financing ratio - the ratio of long term liabilities (debt) to the hospital's net fixed assets (after depreciation).~~

At a minimum, hospitals or their agents will submit the following data elements to the Council or its Agent on the electronic or hard copy instrument designated:

OPERATING REVENUES

1) Net patient service revenue - The estimated net realizable amounts from patients, third party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers.
2) Other revenue - Revenue from services other than health care provided to patients, sales and services to non-patients and operations restricted contributions; including, but not limited to, the following: (i) tax appropriations that include all revenue received from local taxing bodies (e.g., city, township, county, district) which are designed for hospital operations; (ii) contributions

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(operations restricted) received from endowments, grants, etc., which are restricted and support operating expenditures of the hospital if the costs associated with them are included in operating expenses; and (iii) all other revenue generated from non-patient sources that are of an operating nature (i.e., cafeteria, parking lot, etc.) and operating gains.

3) Total operating revenue - The total of net patient service revenue and other revenue (i.e., the sum of items 1 and 2).

OPERATING EXPENSES

4) Bad debt expense - Amounts deemed uncollectible primarily because of a patient's unwillingness to pay as determined after collection efforts.

5) Total operating expenses - The sum of the following: (i) salary and wages; (ii) employee fringe benefits; (iii) professional medical fees paid to professionals for medical services; (iv) depreciation expense based on historical costs; (v) interest expense; (vi) drugs, films, solutions and medical care supplies; (vii) utility expense for fuel, water, heat, light, power and telephone service; (viii) malpractice insurance expense excluding general liability insurance or contributions to a self-insurance fund for professional liability; (ix) bad debt expense; and (x) all other operating expenses.

NON-OPERATING GAINS/LOSSES

6) Total non-operating gains - The classification of activities as non-operating depends on the individual health care provider. In general, activities generate non-operating gains to the extent that they result from a provider's peripheral or incidental transactions and from other events stemming from the environment that may be largely beyond the control of the provider and its management. Non-operating gains include, but are not limited to, the following: (i) investment income, such as funded depreciation, contributions and endowments; (ii) all contributions, gifts and bequests which are not non-restricted; and (iii) all other non-operating gains, including extraordinary gains, that are not a result of investments or contributions.

7) Total non-operating losses - All losses that are classified as non-operating to the extent that they result from a provider's peripheral or incidental transactions and from other events stemming from the environment that may be largely beyond the control of the provider and its management.

PATIENT CARE REVENUES

8) Gross inpatient revenue - Full hospital charges to inpatients for hospital services before considering any deductions for charity care or contractual allowances, including, but not limited to, the

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following: (i) revenue derived from the daily room charge for inpatient services such as room, board and nursing care in routine areas (e.g., medical, surgical, pediatrics, rehabilitative, etc.) and special care units (e.g., intensive care, coronary care, burn units, neonatal intensive care); and (ii) revenue derived from ancillary inpatient hospital services such as lab, x-ray, cardiology.

9) Gross outpatient revenue - Hospital services revenue derived from non-inpatient activities, including, but not limited to, all outpatient, clinic, day surgery, day psychiatric care, emergency room care, etc.

10) Other patient care revenue - Any revenue classified as patient-related which does not belong in the above inpatient or outpatient categories (e.g., home health care, in-home hospice care, etc.).

11) Total patient revenue - Any revenue that constitutes "total gross patient revenue" as defined in item 12 below.

12) Total gross patient care revenue - The total of gross inpatient revenue, gross outpatient revenue and other patient care revenue (i.e., the sum of items 8 through 10).

13) Medicare gross revenue - Full hospital charges derived from any other source including, but not limited to, Blue Cross/Blue Shield, commercial insurance, health maintenance organizations and preferred provider organizations for routine and special care and ancillary and outpatient service, before considering any deductions. This figure may be estimated.

14) Medicaid gross revenue - Full hospital charges derived from Medicaid (MAG and MANG), including routine and special care and ancillary and outpatient service revenue, before considering any deductions. This figure may be estimated.

15) Total other gross revenue - Full hospital charges derived from any other source including, but not limited to, Blue Cross/Blue Shield, commercial insurance, health maintenance organizations and preferred provider organizations for routine and specialized care and ancillary and outpatient service, before considering any deductions. This figure may be estimated.

DEDUCTIONS FROM REVENUE

16) Charity care - These revenue deductions represent the aggregate of the accounts written off when it is determined that a patient is unable to pay. Charity care results from the facility's policy to provide health care services free of charge to individuals who meet certain financial criteria. Do not include costs associated with community benefits or other non-patient related services.

17) Medicare allowance - Revenue deductions incurred in treating Medicare patients. This figure may be estimated.

18) Medicaid allowance - Revenue deductions incurred in treating Medicaid patients. This figure may be estimated.

19) Other contractual allowances - Revenue deductions incurred in treating

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patients covered by Blue Cross/Blue Shield plans, commercial insurance plans, HMO/PPO contracts or other revenue deductions other than charity care, Medicare allowances and Medicaid allowances. This figure may be estimated.

20) Other allowances - All other deductions from revenue for items such as courtesy allowances, employee discounts, administrative writeoffs, etc.

21) Total deductions - The sum of charity care, Medicare allowances, Medicaid allowances, other contractual allowances and other deductions (i.e., the sum of items 16 through 20.)

ASSETS

22) Operating cash and short-term investments - The total of cash on hand and in banks and (unrestricted) investments estimated to be held no longer than one year.

23) Estimated patient accounts receivable - Patient accounts receivable adjusted for allowances and bad debts.

24) Other current assets - The value of all other current assets.

25) Total current assets - The total current assets of the hospital. This amount should include the sum of operating cash and short-term investments, estimated patient accounts receivable (net of allowances and bad debts) and other current assets (i.e., the sum of items 22 through 24).

26) Total other assets - The sum of (i) the amounts included in the hospital's designated funded depreciation account; (ii) the value of property, plant, and equipment recorded on the hospital's books; (iii) any other unrestricted assets; and (iv) any restricted assets (donor or legally restricted only); less accumulated depreciation on fixed assets such as property, plant, and equipment.

27) Total assets - The sum of total current assets and total other assets (i.e., the sum of items 25 and 26).

LIABILITIES AND FUND BALANCES

28) Total current liabilities - The sum of all current liabilities using generally-accepted accounting principles as a guide including, but not limited to, the following: (i) vendor accounts payable (excluding reconciliation payments due to third party payers); (ii) current year's principal payments on long-term debt; and (iii) other current liabilities.

29) Long term debt - Debt whose anticipated maturity (liquidation) is in excess of one year (net of the current maturities).

30) Other liabilities - The value of any other non-current liabilities or deferred revenue.

31) Total liabilities - The sum of total current liabilities, long term debt and other liabilities.

32) Total liabilities and fund balances - The sum of total liabilities

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(item 31) and all fund balances (equity) of the hospital - including restricted as well as unrestricted funds.

(Source: Amended at 19 Ill. Reg. 9117, effective JUN 23 1995)

ILLINOIS INDUSTRIAL COMMISSION

NOTICE OF ADOPTED RULES

1) Heading of the Part: Qualifications of Arbitrators and Conduct of Arbitrators and Commissioners

2) Code Citation: 2 Ill. Adm. Code 2027

3)

Section Number:	Adopted Action:
2027.10	New Section
2027.110	New Section
2027.120	New Section
2027.130	New Section
2027.140	New Section
2027.150	New Section
2027.160	New Section

4) Statutory Authority: Sections 5-15 and 10-20 of the Administrative Procedure Act (Ill. Rev. Stat. 1991, ch. 127, pars. 1005-15 and 1005-20) [5 ILCS 100/5-15 and 100/10-20] and Section 16 of the Workers' Compensation Act (Ill. Rev. Stat. 1991, ch. 48, par. 138.16) [820 ILCS 305/16].

5) Effective Date of Rule: June 20, 1995

6) Does this rulemaking contain an automatic repeal date? No

7) Does this adopted rule contain incorporations by reference? No

8) Date filed in agency's principal office: June 14, 1995

9) Notice of proposal published in Illinois Register: N/A These rules are adopted pursuant to Ill. Rev. Stat. 1991, ch. 127, par. 1005-15 [5 ILCS 100/5-15]

10) Has JCAR issued a Statement of Objection to these rules? No

11) Differences between the proposal and final version: N/A

12) Have all the changes agreed upon by the Agency & JCAR been made as indicated in the agreement letter issued by JCAR? N/A

13) Will this rulemaking replace an emergency amendment currently in effect? No

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of the Rule: The rule sets forth qualifications for arbitrators and provides standards of conduct for arbitrators and commissioners in the performance of their duties.

ILLINOIS INDUSTRIAL COMMISSION

NOTICE OF ADOPTED RULES

16) Information and questions regarding the adopted rule shall be directed to:

Kathryn A. Kelley
Counsel
Illinois Industrial Commission
100 West Randolph Street
Suite 8-272
Chicago, Illinois 60601
(312) 814-6559

The full text of the adopted rules begins on the next page:

ILLINOIS INDUSTRIAL COMMISSION

NOTICE OF ADOPTED RULES

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE E: MISCELLANEOUS STATE AGENCIES
CHAPTER XXII: INDUSTRIAL COMMISSION

PART 2027
QUALIFICATIONS OF ARBITRATORS AND CONDUCT OF ARBITRATORS AND COMMISSIONERS

SUBPART A: QUALIFICATIONS OF ARBITRATORS

Section
2027.10 Qualifications of Arbitrators

SUBPART B: CODE OF CONDUCT FOR ARBITRATORS AND COMMISSIONERS

Section
2027.110 Preamble
2027.120 Standards of Conduct
2027.130 Civic and Charitable Activities
2027.140 Gifts and Gratuities
2027.150 Reporting of Misconduct
2027.160 Violation

AUTHORITY: Implementing Section 5-15 and 10-20 of the Illinois Administrative Procedure Act (Ill. Rev. Stat. 1991, ch. 127, pars. 1005-15 and 1005-20) [5 ILCS 100/5-15 and 100/10-20] and authorized by Section 16 of the Workers' Compensation Act (Ill. Rev. Stat. 1991, ch. 48, par. 138.16) [820 ILCS 305/16].

SOURCE: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995.

SUBPART A: QUALIFICATIONS OF ARBITRATORS

Section 2027.10 Qualifications of Arbitrators

Each arbitrator appointed by the Industrial Commission shall meet the qualifications and requirements set forth in Section 14 of the Workers' Compensation Act (Ill. Rev. Stat. 1991, ch. 48, par. 138.14) (820 ILCS 305/14).

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

SUBPART B: CODE OF CONDUCT FOR ARBITRATORS AND COMMISSIONERS

Section 2027.110 Preamble

A fair and just dispute resolution process is indispensable to our society. Arbitrators and commissioners have a responsibility to the parties and the process and must observe high standards of conduct so that the integrity and

ILLINOIS INDUSTRIAL COMMISSION

NOTICE OF ADOPTED RULES

fairness of the arbitration and review process of the Industrial Commission may be preserved.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

Section 2027.120 Standards of Conduct

a) Each arbitrator and commissioner shall comply with the following standards of conduct:
   1) Administrative Responsibilities

      Arbitrators and commissioners should diligently discharge their administrative responsibilities, maintain professional competence in judicial administration, facilitate the performance of administrative responsibilities of others under their direction and control and should require their staff and others subject to their immediate direction and control to observe the same standards of responsibility and diligence that apply to them.
   2) Adjudicative Responsibilities
      A) Each arbitrator and commissioner should respect and comply with the law, conducting themselves at all times in a manner that promotes public confidence in the integrity and impartiality of the Industrial Commission.
      B) Each arbitrator and commissioner should maintain proper order and decorum in proceedings before the Commission, treating all parties with impartiality, equity and fairness at all stages of the proceedings.
      C) Each arbitrator and commissioner should be considerate, patient, dignified and courteous to the parties, attorneys, witnesses and all others with whom he or she deals in an official capacity and should require similar conduct by all participants to the proceedings.
      D) Each arbitrator and commissioner should accord to all legally interested parties in a proceeding or their attorneys full right to be heard in accordance with the law.
      E) Each arbitrator and commissioner shall not permit or engage in any "ex parte" communications concerning a pending or impending proceeding.
      F) Each arbitrator and commissioner should diligently perform their duties and conclude cases promptly as circumstances reasonably permit.
      G) Each arbitrator and commissioner should abstain from public comment about pending or impending proceedings under the Workers' Compensation Act (Ill. Rev. Stat. 1991, ch. 48, par. 138.1 et seq.)[820 ILCS 305/1 et seq.] and the Workers' Occupational Diseases Act (Ill. Rev. Stat. 1991, ch. 48, par. 172.36 et seq.) [820 ILCS 310/1 et seq.] at the

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Industrial Commission or in any court.

H) Each arbitrator and commissioner is in a relationship of trust to the parties who appear before him or her. An arbitrator or commissioner should not, prior to rendering of a decision, order or ruling, disclose confidential information acquired during the proceedings before them unless otherwise agreed by the parties. Each arbitrator and commissioner should keep confidential all matters pertaining to proceedings and decision-making prior to the issuance of the decision, order or ruling, and to require their staff and others under their direct supervision to observe the same standards of confidentiality.

I) An arbitrator or commissioner shall not negotiate for employment with any person who is involved as a party or insurer or as an attorney for a party or an insurer in a matter(s) in which the arbitrator or commissioner is presiding or participating in an adjudicative capacity. If any such person initiates any discussion of employment with any arbitrator or commissioner, said arbitrator or commissioner shall immediately so notify all parties to the matter(s) and the Chairman.

b) Other Responsibilities

1) Each arbitrator and commissioner shall comply with all applicable laws, and executive orders governing financial disclosure.

2) Each arbitrator and commissioner shall comply with all applicable travel rules and regulations, including those set forth by the Governor's Travel Control Board and any administrative policies of the Industrial Commission.

3) Each arbitrator and commissioner shall comply with all applicable laws governing political activity, including Executive Order 4 (issued in 1977). Arbitrators shall comply with the State Employees Political Activity Act (Ill. Rev. Stat. 1991, ch. 24 1/2, par. 38r.9) [5 ILCS 320/0.01, et seq.] Under the State Employees Political Activity Act, arbitrators are prohibited from engaging in the following activities during working hours:

A) *participating in the organization of any political meeting;*

B) *soliciting money from any person for any political purpose;*

C) *selling or distributing tickets for political meetings;*

D) *assisting at the polls in behalf of any party or party-designated candidate on any election day;*

E) *using or threatening to use the influence or authority of his position to coerce or to persuade any person to follow any course of political action;*

F) *initiating or circulating any petition on behalf of a candidate or in support of a political issue;*

G) *making contributions of money on behalf of a candidate for office or of any public or political issue;*

H) *distributing campaign literature or material on behalf of any candidate.*

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NOTICE OF ADOPTED RULES

While commissioners are not subject to the State Employees Political Activity Act, they should use the prohibitions of that Act as standards by which to measure their conduct.

4) An arbitrator or commissioner who is a candidate for public office should not solicit campaign funds, nor allow any representative to solicit in his or her behalf on Industrial Commission premises.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

Section 2027.130 Civic and Charitable Activities

a) An arbitrator or commissioner may participate in civic and charitable activities that do not reflect adversely upon their impartiality or interfere with the performance of their duties.

b) Arbitrators and commissioners shall be guided by the Code of Judicial Conduct (Ill. Rev. Stat. 1991, ch. 110A, pars. 61-68) or may seek guidance from the State of Illinois Board of Ethics in specific situations.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

Section 2027.140 Gifts and Gratuities

a) Neither an arbitrator nor a commissioner nor a member of the arbitrator's or commissioner's family residing in his or her household shall request, demand, receive, accept, or agree to receive or accept any payment, loan, or delivery of any money or anything of value from any party to a proceeding, a representative or any party to a proceeding, or any other person, firm or corporation having any interest in or connection with a pending proceeding.

b) For the purpose of this section, "member of the arbitrator's or commissioner's family residing in his or her household" means any relative of an arbitrator or commissioner by blood or marriage, or a person treated by an arbitrator or commissioner as a member of the family, who resides in the arbitrator's or commissioner's household.

c) Arbitrators and commissioners shall be guided by the Code of Judicial Conduct (Ill. Rev. Stat. 1991, ch. 110A, pars. 61-68) or may seek guidance from the State of Illinois Board of Ethics in specific situations.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

Section 2027.150 Reporting Misconduct

ILLINOIS INDUSTRIAL COMMISSION

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a) An arbitrator or commissioner who has knowledge that another arbitrator or commissioner has committed a violation of the standards of conduct set forth in Subpart B shall report such knowledge to the Chairman.

b) An arbitrator or commissioner who has knowledge of a violation of the Illinois Rules of Professional Conduct (Ill. Rev. Stat. 1991, ch. 110A, pars. 1-101-9-102) on the part of an attorney shall report such knowledge to the Chairman and the Attorney Registration and Disciplinary Commission.

c) An arbitrator or commissioner who has knowledge of misconduct or a violation of the law on the part of a non-attorney appearing at the Industrial Commission, including but not limited to, a party to a proceeding, a paralegal or a clerk, shall report such knowledge to the Chairman.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

Section 2027.160 Violation

Violation by arbitrators of any of the provisions of this subpart may result in discipline up to and including discharge.

(Source: Adopted at 19 Ill. Reg. 9127, effective JUN 20 1995)

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

1) Heading of the Part: Summary Document and Disclaimer

2) Code Citation: 50 Ill. Adm. Code 3401

3)

Section Number:	Adopted Action:
3401.10	New Section
3401.20	New Section
3401.30	New Section
3401.40	New Section
3401.Illustration A	New Section

4) Statutory Authority: Implementing and authorized by Section 531.19 of the Illinois Insurance Code [215 ILCS 5/531.19].

5) Effective Date of Rule: July 1, 1995

6) Does this rule contain an automatic repeal date? No.

7) Does this rule contain incorporations by reference? No.

8) Date filed in Agency's Principal Office:

9) Notice of Proposal Published in Illinois Register: January 1, 1995, 19 Ill. Reg. 784

10) Has JCAR issued a Statement of Objections to this rule? No.

11) Difference(s) between proposal and final version:

a) In the title of this Part, change "Summary Document, Disclaimer and Notice" to "Summary Document and Disclaimer".

b) In the Section table, delete "3401.Illustration B Notice".

c) In the main source note add "July 1, 1995" as the effective date.

d) Section 3401.10 on the first line, change "insurance companies" to "member insurers".

e) Section 3401.20 on the second line, delete the comma following "Document" and add "and". Also delete "and Notice" following "Disclaimer".

f) Section 3401.20 on the fourth line, add a comma following "of".

g) Section 3401.20 on the fifth line, delete ", or is not".

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

h) Section 3401.30 on the first line change ""Disclaimer"" to "Disclaimer".

i) Section 3401.30 add the term "Insurer, for purposes of this Part, means a "Member insurer" as defined in Section 531.05 of the Illinois Insurance Code [215 ILCS 5/531.05].

j) Section 3401.30 delete the term "Notice" and its definition.

k) Section 3401.30 change ""Summary Document"" to "Summary Document".

l) All definitions are indented 10 spaces from the left margin pursuant to Ill. Adm. Code 100.340(e).

) Section 3401.40(a), move out to flush left margin, and delete "a)".

n) Section 3401.40 on the First line, add "Sixty days after the effective date of this Part,".

o) Section 3401.40 on the second to the last line, add a comma following "of".

p) Section 3401.40(b), delete this subsection entirely.

q) Section 3401.Illustration A under the heading "Summary of General Purposes and Current Limitations of Coverage" on the second line add "Illinois" following "Life". Also on the third line, the Department does not agree to changing our statutory citation.

r) Section 3401.Illustration A(b)(1)(D) on the last line delete "or".

s) Section 3401.Illustration A(b)(1)(E), change the period to a semicolon and add "or".

t) Section 3401.Illustration A(b)(1)(E) add "F) any stop loss insurance".

u) Section 3401.Illustration A(b)(2)(B) on the first line delete all text following "issued by" and add "an organization which is not a member insurer of the Association".

v) Section 3401.Illustration A(c)(1)(B)(ii) on the last line delete tne comma following "and".

w) Section 3401.Illustration A(c)(1)(B)(iii) on the fourth line change the semicolon to a comma following "values".

x) Section 3401.Illustration A(c)(1)(B)(iii) on the second to the last line change "contractholder" to "contract holder".

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y) Section 3401.Illustration B, delete altogether.

12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes.

13) Will this rule replace an emergency rule currently in effect? No.

14) Are there any amendments pending on this Part? No.

15) Summary and Purpose of rulemaking: The Department is promulgating standards to implement P.A. 88-364, effective August 16, 1993.

16) Information and questions regarding this adopted rule shall be directed to:

Cynthia Stephenson
Department of Insurance
320 West Washington
Springfield, Illinois 62767-0001
(217) 782-1785

The full text of the Adopted Rule begins on the next page.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES
TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ll: LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

PART 3401
SUMMARY DOCUMENT AND DISCLAIMER

Section
3401.10 Applicability
3401.20 Purpose
3401.30 Definitions
3401.40 Delivery of Documents Required
ILLUSTRATION A Disclaimer and Summary Document

AUTHORITY: Implementing and authorized by Section 531.19 of the Illinois Insurance Code [225 ILCS 5/531.19].

SOURCE: Adopted at 19 Ill. Reg. 9134, effective JUL 1 1995.

Section 3401.10 Applicability

This Part shall apply to member insurers that offer policies or contracts described in Section 531.03 of the Illinois Insurance Code [215 ILCS 5/531.03].

Section 3401.20 Purpose

The purpose of this Part is to establish the form and content of the Summary Document and Disclaimer required by Section 531.19 of the Illinois Insurance Code [215 ILCS 5/531.19] for use prior to, or at the time of, delivery of a policy or contract which is covered by the Illinois Life and Health Insurance Guaranty Association.

Section 3401.30 Definitions

Disclaimer means the language required by Section 531.19(c) of the Illinois Insurance Code [215 ILCS 5/531.19(c)] which shall appear conspicuously on the face of the Summary Document. The Disclaimer and Summary Document are established by Illustration A of this Part.

Insurer, for purposes of this Part, means a "Member insurer" as defined in Section 531.05 of the Illinois Insurance Code [215 ILCS 5/531.05].

Summary Document means a document required by Section 531.19(b) of the Illinois Insurance Code [215 ILCS 5/531.19(b)], which describes the general purposes and current limitations of the Illinois Life and Health Insurance Guaranty Association Law. The Summary Document shall be prepared and revised, as necessary, by the Illinois Life and Health

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

Insurance Guaranty Association. Subsequent revisions will require approval by the Director of Insurance. The Summary Document shall contain, on its face, the Disclaimer. The Summary Document and Disclaimer are established in Illustration A of this Part.

Section 3401.40 Delivery of Documents Required

Sixty days after the effective date of this Part, no insurer shall deliver a policy or contract described in Section 531.03(2)(a) of the Illinois Insurance Code [215 ILCS 5/531.03(2)(a)], and not excluded under Section 531.03(2)(b) of the Illinois Insurance Code [215 ILCS 5/531.03(2)(b)] to a policy or contract holder unless the Summary Document and Disclaimer required by this Part are delivered to the policy or contract holder prior to, or at the time of, delivery of such policy or contract.

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Section 3401.ILLUSTRATION A Disclaimer and Summary Document

ILLINOIS
LIFE AND HEALTH INSURANCE GUARANTY
ASSOCIATION LAW

Residents of Illinois who purchase health insurance, life insurance, and annuities should know that the insurance companies licensed in Illinois to write these types of insurance are members of the Illinois Life and Health Insurance Guaranty Association. The purpose of this Guaranty Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its policy obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the covered claims of policyholders that live in Illinois (and their payees, beneficiaries, and assignees) and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however, as noted below.

ILLINOIS LIFE AND
HEALTH INSURANCE GUARANTY ASSOCIATION

DISCLAIMER

The Illinois Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY. Even if coverage is provided, there are substantial limitations and exclusions. Coverage is generally conditioned on continued residence in Illinois. Other conditions may also preclude coverage.

You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Law when selecting an insurer. Your insurer and agent are prohibited by law from using the existence of the Association or its coverage to sell you an insurance policy.

The Illinois Life and Health Insurance Guaranty Association or the Illinois Department of Insurance will respond to any questions you may have which are not answered by this document. Policyholders with additional questions may contact:

Illinois Life and Health Insurance Guaranty Association
8420 West Bryn Mawr Avenue
Chicago, Illinois 60631
(312) 714-8080

Illinois Department of Insurance

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

320 West Washington Street
4th Floor
Springfield, Illinois 62767
(217) 782-4515

Summary of General Purposes And
Current Limitations of Coverage

The Illinois law that provides for this safety-net coverage is called the Illinois Life and Health Insurance Guaranty Association Law ("Law") [215 ILCS 5/531.01, et seq.]. The following contains a brief summary of the Law's coverages, exclusions, and limits. This summary does not cover all provisions, nor does it in any way change anyone's rights or obligations under the Law or the rights or obligations of the Guaranty Association. If you have obtained this document from an agent in connection with the purchase of a policy, you should be aware that its delivery to you does not guarantee that your policy is covered by the Guaranty Association.

a) Coverage:

The Illinois Life and Health Insurance Guaranty Association provides coverage to policyholders that reside in Illinois for insurance issued by members of the Guaranty Association, including:

1) life insurance, health insurance, and annuity contracts;
2) life, health or annuity certificates under direct group policies or contracts;
3) unallocated annuity contracts; and
4) contracts to furnish health care services and subscription certificates for medical or health care services issued by certain licensed entities. The beneficiaries, payees, or assignees of such persons are also protected, even if they live in another state.

b) Exclusions from Coverage:

1) The Guaranty Association does not provide coverage for:
   A) any policy or portion of a policy for which the individual has assumed the risk;
   B) any policy of reinsurance (unless an assumption certificate was issued);
   C) interest rate guarantees which exceed certain statutory limitations;
   D) certain unallocated annuity contracts issued to an employee benefit plan protected under the Pension Benefit Guaranty Corporation and any portion of a contract which is not issued to or in connection with a specific employee, union or association of natural persons benefit plan or a government lottery;
   E) any portion of a variable life insurance or variable annuity

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED RULES

contract not guaranteed by an insurer; or

F) any stop loss insurance.

2) In addition, persons are not protected by the Guaranty Association if:

A) the Illinois Director of Insurance determines that, in the case of an insurer which is not domiciled in Illinois, the insurer's home state provides substantially similar protection to Illinois residents which will be provided in a timely manner; or

B) their policy was issued by an organization which is not a member insurer of the Association.

c) Limits on Amount of Coverage:

1) The Law also limits the amount the Illinois Life and Health Insurance Guaranty Association is obligated to pay. The Guaranty Association's liability is limited to the lesser of either:

A) the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or

B) with respect to any one life, regardless of the number of policies, contracts, or certificates:

i) in the case of life insurance, $300,000 in death benefits but not more than $100,000 in net cash surrender or withdrawal values;

ii) in the case of health insurance, $300,000 in health insurance benefits, including net cash surrender or withdrawal values; and

iii) with respect to annuities, $100,000 in the present value of annuity benefits, including net cash surrender or withdrawal values, and $100,000 in the present value of annuity benefits for individuals participating in certain government retirement plans covered by an unallocated annuity contract. The limit for coverage of unallocated annuity contracts other than those issued to certain governmental retirement plans is $5,000,000 in benefits per contract holder, regardless of the number of contracts.

2) However, in no event is the Guaranty Association liable for more than $300,000 with respect to any one individual.

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

1) Heading of Part: SEWER DISCHARGE CRITERIA

2) Code Citation: 35 Ill. Adm. Code 307

3)

Section Numbers:	Amended Action:
307.2400	Amended
307.2401	Amended
307.2402	Amended
307.2403	Amended
307.2404	Amended
307.2405	Amended
307.2406	Amended
307.2407	Amended
307.2410	New Section
307.2490	Amended
307.2491	Amended
307.6500	Amended
307.6501	Amended
307.6502	Amended
307.6503	Amended

4) Statutory Authority: [415 ILCS 5/13, 13.3 and 27]

5) Effective Date of Amendments: JUN 2 3 1995

6) Does this rulemaking contain an automatic repeal date? No

If so, please specify the date:

7) Do these amendments contain incorporations by reference? Yes

8) Date filed in Board's principal office: Order adopted in R94-10 on May 18, 1995.

9) Notice of Proposal Published in Illinois Register: March 10, 1995, 19 Ill. Reg. 2612

10) Has JCAR issued a Statement of Objections to these rules?

Section 22.4(a) of the Environmental Protection Act [415 ILCS 5/22.4(a)] provides that Section 5 of the Administrative Procedure Act [5 ILCS 100/5-35 and 5-40] shall not apply. Because this rulemaking is not subject to Section 5 of the APA, it is not subject to first notice or to second notice review by JCAR.

11) Differences between proposal and final version:

Correction of typographical and form errors.

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

Updated references to 58 Fed. Reg. to CFR (1994).
Updated references to CFR (1993) to CFR (1994).

Table of Contents - Section 307.2410 changed Source to Sources.
Section 307.2400(a), 307.2410(a), 307.2490, 307.2491 changed 1993 to 1994.
Section 307.2400(b)(3)(B) changed ; to .
Section 307.2400(8)(D)(iii) struck extra).Sections 307.2401(c)(1), 307.2401(d)(1), 307.2402(c)(1), 307.2402(d)(1), 307.2403(c)(1), 307.2403(d)(1), 307.2404(c)(1), 307.2404(d)(1), 307.2405(c)(1), 307.2405(d)(1), 307.2406(c)(1), 307.2406(d)(1), 307.2407(c)(1), 307.2407(d)(1), changed (1993) as amended at 58 Fed. Reg. 36892 (July 9, 1993) to (1994).
Section 307.2410(c)(1) changed (1993) as amended at 58 Fed. Reg. 36893 (July 9, 1993) to (1994).
Section 307.6500(a) changed 1993 to 1994, deleted 58 Fed. Reg. 50689 (September 28, 1993).
Section 307.6500(b) replaced , as added at 58 Fed. Reg. 50689 (September 28, 1993) with (1994).
Sections 307.6501(a)(1), 307.6501(b) changed 1993 to 1994, deleted as amended at 58 Fed. Reg. 50638 (September 28, 1993).
Sections 307.6501(c)(1), 307.6501(d)(1) replaced as added at 58 Fed. Reg. 50690 (September 28, 1993) with 1994.
Section 307.6502(b) replaced (1993) with (1994).

12) Have all the changes agreed upon by the Board and JCAR been made as indicated in the agreement letter issued by JCAR?

Section 22.4(a) of the Environmental Protection Act [415 ILCS 5/22.4(a)] provides that Section 5 of the Administrative Procedure Act [5 ILCS 100/5-35 and 5-40] shall not apply. Because this rulemaking is not subject to Section 5 of the APA, it is not subject to first notice or to second notice review by JCAR.

13) Will these amendments replace an emergency rule currently in effect? No

14) Are there any other amendments pending on this Part? No.

15) Summary and Purpose of Amendments:

Section 13.3 of the Act requires the Board to adopt regulations which are "identical in substance" with federal regulations promulgated by the United States Environmental Protection Agency (U.S. EPA) to implement the pretreatment requirements of Sections 307 and 402 of the Clean Water Act. The proposed amendments adopt the amendments to the pretreatment regulations adopted by the U.S. EPA between July 1, 1993 and December 31, 1993.

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

The amendments add effluent standards for pollutants that were previously deleted from the regulations in response to a decision in Chemical Manufacturer's Association v. U.S. EPA, 870 F.2d 177 (5th Cir), modified, 885 F.2d 253 (5th Cir. 1989), cert denied. The amendments also establish effluent standards for the pesticide chemical industry. A compliance date of September 28, 1996 is added for discharges subject to pretreatment standards for existing sources involved in the manufacturing of pesticide chemicals.

A more detailed description is contained in the Board's opinion of May 18, 1995, in R94-10, which Opinion is available from the address below.

16) Information and questions regarding this adopted amendment shall be directed to:

Diane F. O'Neill, Attorney
Illinois Pollution Control Board
100 W. Randolph 11-500
Chicago, IL 60601
(312) 814-6062

Requests for copies of the May 18, 1995 opinion should be addressed to Clerk of the Board at the above address and should reference Docket R94-10.

The full text of the adopted amendments begins on the next page:

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE C: WATER POLLUTION
CHAPTER I: POLLUTION CONTROL BOARD

PART 307
SEWER DISCHARGE CRITERIA

SUBPART A: GENERAL PROVISIONS

SUBPART B: GENERAL AND SPECIFIC PRETREATMENT REQUIREMENTS

SUBPART F: DAIRY PRODUCTS PROCESSING

SUBPART G: GRAIN MILLS

POLLUTION CONTROL BOARD

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SUBPART H: CANNED AND PRESERVED FRUITS AND VEGETABLES

SUBPART I: CANNED AND PRESERVED SEAFOOD

SUBPART J: SUGAR PROCESSING

SUBPART K: TEXTILE MILLS

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SUBPART S: FERTILIZER MANUFACTURING

SUBPART T: PETROLEUM REFINING

SUBPART U: IRON AND STEEL MANUFACTURING

POLLUTION CONTROL BOARD

NOTICE OF ADOPTED AMENDMENTS

SUBPART V: NONFERROUS METALS MANUFACTURING

SUBPART X: STEAM ELECTRIC POWER GENERATING

POLLUTION CONTROL BOARD

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307.3916 Wood Furniture and Fixture Production with Water Wash Spray Booth(s) or With Laundry Facilities

SUBPART BE: PULP, PAPER AND PAPERBOARD

Section
307.4000 General Provisions
307.4001 Unbleached Kraft
307.4002 Semi-Chemical
307.4004 Unbleached Kraft-Neutral Sulfite Semi-Chemical (Cross Recovery)
307.4005 Paperboard From Wastepaper
307.4006 Dissolving Kraft
307.4007 Market Bleached Kraft
307.4008 BCT Bleached Kraft
307.4009 Fine Bleached Kraft
307.4010 Papergrade Sulfite (Blow Pit Wash)
307.4011 Dissolving Sulfite Pulp
307.4012 Groundwood-Chemi-Mechanical
307.4013 Groundwood-Thermo-Mechancial
307.4014 Groundwood-CMN Papers
307.4015 Groundwood-Fine Papers
307.4016 Soda
307.4017 Deink
307.4018 Nonintegrated-Fine Papers
307.4019 Nonintegrated-Tissue Papers
307.4020 Tissue From Wastepaper
307.4021 Papergrade Sulfite (Drum Wash)
307.4022 Unbleached Kraft and Semi-Chemical
307.4023 Wastepaper-Molded Products
307.4024 Nonintegrated-Lightweight Papers
307.4025 Nonintegrated-Filter and Nonwoven Papers
307.4026 Nonintegrated-Paperboard

SUBPART BF: BUILDERS' PAPER AND BOARD MILLS

Section
307.4101 Builder's Paper and Roofing Felt

SUBPART BG: MEAT PRODUCTS

Section
307.4201 Simple Slaughterhouse
307.4202 Complex Slaughterhouse
307.4203 Low-Processing Packinghouse
307.4204 High-Processing Packinghouse
307.4205 Small Processor
307.4206 Meat Cutter
307.4207 Sausage and Luncheon Meats Processor

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307.4208 Ham Processor
307.4209 Canned Meats Processor
307.4210 Renderer

SUBPART BH: METAL FINISHING

Section
307.4300 General Provisions
307.4301 Metal Finishing

SUBPART BN: PHARMACEUTICAL MANUFACTURING

Section
307.4900 General Provisions
307.4901 Fermentation Products
307.4902 Extraction Products
307.4903 Chemical Synthesis Products
307.4904 Mixing/Compounding and Formulation
307.4905 Research

SUBPART BR: PAVING AND ROOFING MATERIALS (TARS AND ASPHALT)

Section
307.5301 Asphalt Emulsion
307.5302 Asphalt Concrete
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SUBPART BU: PAINT FORMULATING

Section
307.5601 Oil-Base Solvent Wash Paint

SUBPART BV: INK FORMULATING

Section
307.5701 Oil-Base Solvent Wash Ink

SUBPART CD: PESTICIDE CHEMICALS

Section
307.6500 General Provisions
307.6501 Organic Pesticide Chemicals Manufacturing
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SUBPART CG: CARBON BLACK MANUFACTURING

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AUTHORITY: Implementing Sections 13 and 13.3 and authorized by Section 27 of the Environmental Protection Act [415 ILCS 5/13, 13.3 and 27].

SOURCE: Adopted in R70-5, at 1 PCB 426, March 31, 1971; amended in R71-14, at 4 PCB 3, March 7, 1972; amended in R74-3, at 19 PCB 182, October 30, 1975; amended in R74-15, 16, at 31 PCB 405, at 2 Ill. Reg. 44, p. 151, effective November 2, 1978; amended in R76-17, at 31 PCB 713, at 2 Ill. Reg. 45, p. 101, effective November 5, 1978; amended in R76-21, at 44 PCB 203, at 6 Ill. Reg. 563, effective December 24, 1981; codified at 6 Ill. Reg. 7818; amended in R82-5, 10, at 54 PCB 411, at 8 Ill. Reg. 1625, effective January 18, 1984; amended in R86-44 at 12 Ill. Reg. 2592, effective January 13, 1988; amended in R88-11 at 12 Ill. Reg. 13094, effective July 29, 1988; amended in R88-18 at 13 Ill. Reg. 1794, effective January 31, 1989; amended in R89-3 at 13 Ill. Reg. 19288, effective November 17, 1989; amended in R88-9 at 14 Ill. Reg. 3100, effective February 20, 1990; amended in R89-12 at 14 Ill. Reg. 7620, effective May 8, 1990; amended in R91-5 at 16 Ill. Reg. 7377, effective April 27, 1992; amended in R93-2 at 17 Ill. Reg. 19483, effective October 29, 1993; amended in R94-10 at 19 Ill. Reg. 9142, effective JUN 23 1995.

SUBPART O: ORGANIC CHEMICALS, PLASTICS AND SYNTHETIC FIBERS

Section 307.2400 General Provisions

a) General definitions. The Board incorporates by reference 40 CFR 414.10 ~~(1992)~~ (1994). This incorporation includes no later amendments or editions.

b) Applicability.

1) This Subpart applies to process wastewater discharges from all establishments or portions of establishments which manufacture the organic chemicals, plastics and synthetic fibers (OCPSF) products or product groups which are covered by Sections 307.2402 through 307.2408 and which are included in the following SIC major groups, as defined in the Standard Industrial Classification Manual, incorporated by reference in 35 Ill. Adm. Code 310.107:

A) SIC 2821 -- Plastic materials, synthetic resins and nonvulcanizable elastomers.

B) SIC 2823 -- Cellulosic man-made fibers.

C) SIC 2824 -- Synthetic organic fibers, except cellulosic.

D) SIC 2865 -- Cyclic crudes and intermediates, dyes and organic pigments.

E) SIC 2869 -- Industrial organic chemicals, not elsewhere classified.

2) This Subpart applies to wastewater discharges from OCPSF research and development, pilot plant, technical service and laboratory bench scale operations if such operations are conducted in conjunction with and related to existing OCPSF manufacturing activities at the plant site.

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3) Notwithstanding subsection (b)(1) above, this Subpart does not apply to discharges resulting from the manufacture of OCPSF products if the products are included in the following SIC subgroups and if the products have in the past been reported by the establishment under these subgroups and not under the SIC groups listed in subsection (b)(1) above:

A) SIC 2843085 -- Bulk surface active agents.

B) SIC 28914 -- Synthetic resin and rubber adhesives.

C) Chemicals and chemical preparations not elsewhere classified:

i) SIC 2899568 -- Sizes, all types.

ii) SIC 2899597 -- Other industrial chemical specialities, including fluxes, plastic wood preparations and embalming fluids.

D) SIC 2911058 -- Aromatic hydrocarbons manufactured from purchased refinery products.

E) SIC 2911632 -- Aliphatic hydrocarbons manufactured from purchased refinery products.

4) Notwithstanding subsection (b)(1) above, this Subpart does not apply to any discharges for which a different set of previously promulgated standards this Part in this Part apply, unless the facility reports OCPSF products under SIC codes 2865, 2869 or 2821, and the facility's OCPSF wastewaters are discharged separately to a POTW.

5) This Subpart does not apply to any process wastewater discharge from the manufacture of organic chemical compounds solely by extraction from plant and animal raw materials or by fermentation processes.

6) Discharges of chromium, copper, lead, nickel and zinc in "complexed metal-bearing wastestreams", listed in Section 307.2491, are not subjected to this Subpart.

7) Non-amendable cyanide.

A) Discharges of cyanide in "cyanide-bearing waste streams", listed in Section 307.2490, are not subject to the cyanide limitations of this Subpart if

i) the control authority determines that the cyanide limitations are not achievable due to elevated levels of non-amenable cyanide (i.e., cyanide that is not oxidized by chlorine treatment) that result from the unavoidable complexing of cyanide at the process source of the cyanide-bearing waste stream, and

ii) the control authority establishes an alternative total cyanide or amenable cyanide limitation that reflects the best available technology economically achievable.

B) The control authority shall base its determination made pursuant to subsection (b)(7)(A) above on a review of the relevant engineering, production, and sampling and analytical information at its disposal, including

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measurements of both total and amenable cyanide in the waste stream.

C) The control authority shall set forth its determination made pursuant to subsection (b)(7)(A) above in a written analysis of the extent of complexing in the waste stream and its impact on cyanide treatability, based on the information at its disposal.

D) Alternative cyanide discharge limitation determinations made pursuant to this subsection are subject to the limitations of Section 307.1103. Provided, however, Section 307.1103 shall not be used to allow a discharge of total cyanide in excess of that otherwise allowed by this subsection.

8) Allowances for non-metal-bearing waste streams.

A) The control authority shall establish discharge limitations for lead and zinc for waste streams not listed in Section 307.2490 and not otherwise determined to be "metal-bearing waste streams" if it determines that the wastewater metals contamination is due to background levels that are not reasonably avoidable, from such sources as intake water, corrosion of materials of construction, or contamination of raw materials.

B) The control authority shall base its determination made pursuant to subsection (b)(8)(A) on a review of relevant plant operating conditions, process chemistry, engineering, and sampling and analytical information.

C) The control authority shall set forth its determination made pursuant to subsection (b)(8)(A) above in a written analysis of the sources and levels of the metals, based on the information at its disposal.

D) The control authority may establish limitations for lead and zinc for non-"metal-bearing waste streams" for the purposes of subsection (b)(8)(A) above between the following levels:

i) the lowest level that the control authority determines, based on best professional judgement, can be reliably measured and

ii) the concentration of such metals present in the wastestreams, but not to exceed the applicable limitations contained in Sections 307.2401 through 307.2407.

iii) For zinc, the applicable limitations that the discharge must not exceed are those appearing in the tables in Sections 307.2401 through 307.2407, not the alternative limitations for rayon fiber manufacture by the viscose process, as set forth in footnote 2 to the table in 40 CFR 414.25, incorporated by reference at Section 307.2401(c)(1), or the alternative limitations for acrylic fiber manufacture by the zinc chloride/solvent process, as set forth in footnote 2

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to the table in 40 CFR 414.35, incorporated by reference at Section 307.2402(c)(1).†

E) The limitations for individual dischargers shall be set on a mass basis, by multiplying the concentration allowance established by the control authority times the process wastewater flow from the individual wastestreams in which incidental metals are present.

c) Compliance date. All discharges subject to a pretreatment standard for existing sources in this Subpart must comply with the standard by no later than November 5, 1990.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2401 Rayon Fibers

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of rayon fiber by the viscose process only.

b) Specialized definitions. None.

c) Existing sources:

1) The Board incorporates by reference 40 CFR 414.25 ~~(1991)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources:

1) The Board incorporates by reference 40 CFR 414.26 ~~(1991)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2402 Other Fibers

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of the products classified under SIC 2823, cellulosic man-made fibers and fiber groups, except

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rayon, and under SIC 2824, synthetic organic fibers and fiber groups, listed below. Product groups are indicated with an asterisk (*).

*Acrylic fibers (85% Polyacrylonitrile)
*Cellulose acetate fibers
*Fluorocarbon (Teflon) fibers
*Modacrylic fibers
*Nylon 6 fibers
Nylon 6 monofilament
*Nylon 66 fibers
Nylon 66 monofilament
*Polyamide fibers (Quiana)
*Polyaramid (Kevlar) resin fibers
*Polyaramid (Nomex) resin fibers
*Polyester fibers
*Polyethylene fibers
*Polypropylene fibers
*Polyurethane fibers (Spandex)

b) Specialized definitions. None.

c) Existing sources:

1) The Board incorporates by reference 40 CFR 414.35 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources:

1) The Board incorporates by reference 40 CFR 414.36 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (d)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2403 Thermoplastic Resins

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of the ~~the~~ products classified under SIC 28213, thermoplastic resins and thermoplastic resin groups, listed below. Product groups are indicated with an asterisk (*).

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*Abietic acid -- Derivatives
*ABS resins
*ABS-SAN resins
*Acrylate-methacrylate latexes
*Acrylic latex
*Acrylic resins
*Cellulose acetate butyrates
Cellulose acetate resin
*Cellulose acetates
*Cellulose acetates priopionates
Cellulose nitrate
*Ethylene-methacrylic acid copolymers
*Ethylene-vinyl acetate copolymers
*Fatty acid resins
*Fluorocarbon polymers
Nylon 11 resin
*Nylon 6-66 copolymers
*Nylon 6 -- Nylon 11 blends
Nylon 6 resin
Nylon 612 resin
Nylon 66 resin
*Nylons
*Petroleum hydrocarbon resins
*Polyvinyl pyrrolidone -- copolymers
*Poly(alpha)olefins
Polyacrylic acid
*Polamides
*Polyarylamides
*Polybutadiene
*Polybutenes
Polybutyl succinic anhydride
*Polycarbonates
*Polyester resins
*Polyester resins, Polybutylene terephthalate
*Polyester resins, Polyoxybenzoate
Polyethylene
*Polyethylene -- ethyl acrylate resins
*Polyethylene -- polyvinylacetate copolymers
Polyethylene resin (HDPE)
Polyethylene resin (LDPE)
Polyethylene resin, scrap
Polyethylene resin, wax (low molecular weight)
Polyethylene resin, latex
Polyethylene resins
*Polyethylene resins, compounded
*Polyethylene, chlorinated
*Polyimides
*Polypropylene resins

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Polystyrene (crystal)
Polystyrene (crystal) modified
*Polystyrene -- copolymers
*Polystyrene -- acrylic latexes
Polystyrene impact resins
Polystyrene latex
Polystyrene, expandable
Polystyrene, expanded
*Polysulfone resins
Polyvinyl acetate
*Polyvinyl acetate -- PVC copolymers
*Polyvinyl acetate copolymers
*Polyvinyl acetate resins
Polyvinyl alcohol resin
Polyvinyl chloride
Polyvinyl chloride, chlorinated
*Polyvinyl ether -- maleic anhydride
*Polyvinyl formal resins
*Polyvinulacetate -- methacrylic copolymers
*Polyvinylacetate acrylic copolymers
*Polyvinylacetate -- 2-ethylhexylacrylate copolymers
Polyvinylidine chloride
*Polyvinylidine chloride copolymers
*Polyvinylidine -- vinyl chloride resins
*PVC copolymers, acrylates (Latex)
*PVC copolymers, ethylene -- vinyl chloride
*Rosin derivative resins
*Rosin modified resins
*Rosin resins
*SAN resins
*Silicones: Silicone resin
*Silicones: Silicone rubbers
*Styrene -- maleic anhydride resins
Styrene polymeric residue
*Styrene -- acrylic copolymer resins
*Styrene --acrylonitrile --acrylates copolymers
*Styrene -- butadiene resins
*Styrene -- butadiene resins (less than 50% butadiene)
*Styrene -- butadiene resins (Latex)
*Styrene -- divinyl benzene resins (ion exchange)
*Styrene -- methacrylate terpolymer resins
*Styrene -- methyl methacrylate copolymers
*Styrene, butadiene, vinyl toluene terpolymers
*Sulfonated styrene -- maleic anhydride resins
*Unsaturated polyester resins
*Vinyl toluene resins
*Vinyl toluene -- acrylate resins
*Vinyl toluene -- butadiene resins

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*Vinyl toluene -- methacrylate resins
*Vinylacetate -- n-butylacrylate copolymers

b) Specialized definitions. None.

c) Existing sources:

1) The Board incorporates by reference 40 CFR 414.45 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36092 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources:

1) The Board incorporates by reference 40 CFR 414.46 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36092 (July 9, 1993)~~. This incorporation includes no later amendments or editions.

2) No person subject to the pretreatment standards incorporated by reference in subsection (d)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2404 Thermosetting Resins

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of the products classified under SIC 28214 thermosetting resins and thermosetting resin groups, listed below. Product groups are indicated with an asterisk (*).

*Alkyd resins
Dicyanodiamide resin
*Epoxy resins
*Fumaric acid polyesters
*Furan resins
Glyoxal -- urea formaldehyde textile resin
*Ketone -- formaldehyde resins
*Melamine resins
*Phenolic resins
*Polyacetal resins
*Polyacrylamide
*Polyurethane prepolymers
*Polyurethane resins
*Urea formaldehyde resins
*Urea resins

b) Specialized definitions. None.

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c) Existing sources:
1) The Board incorporates by reference 40 CFR 414.55 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources:
1) The Board incorporates by reference 40 CFR 414.56 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (d)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2405 Commodity Organic Chemicals

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of the products classified under SIC 2865 or 2869, commodity organic chemicals and commodity organic chemical groups, listed below. Product groups are indicated with an asterisk (*).
1) Aliphatic organic chemicals
Acetaldehyde
Acetic acid
Acetic anhydride
Acetone
Acrylonitrile
Adipic acid
*Butylenes (Butenes)
Cyclohexane
Ethanol
Ethylene
Ethylene glycol
Ethylene oxide
Formaldehyde
Isopropanol
Methanol
Polyoxypropylene glycol
Propylene

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Propylene oxide
Vinyl acetate
1,2-Dichloroethane
1,3-Butadiene
2) Aromatic organic chemicals
Benzene
Cumene
Dimethyl terephthalate
Ethylbenzene
m-Xylene (impure)
p-Xylene
Phenol
*Pitch tar residues
Pyrolysis gasolines
Styrene
Terephthalic acid
Toluene
*Xylenes, mixed
o-Xylene
3) Halogenated organic compounds
Vinyl chloride

b) Specialized definitions. None.

c) Existing sources:
1) The Board incorporates by reference 40 CFR 414.65 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources:
1) The Board incorporates by reference 40 CFR 414.66 ~~(1992)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (d)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
3) For discharges of wastewater resulting from the manufacture of butadiene by any process which includes the oxidative dehydrogenation of butene, "new source" means any building, structure, facility or installation the construction of which commenced after December 17, 1973. For other sources, "new source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

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Section 307.2406 Bulk Organic Chemicals

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of the products classified under SIC 2865 or 2869, bulk organic chemicals and bulk organic chemical groups, listed below. Product groups are indicated with an asterisk (*).

1) Aliphatic organic chemicals

*Acetic acid esters
*Acetic acid salts
Acetone cyanohydrin
Acetylene
Acrylic acid
*Acrylic acid esters
*Alkoxy alkanols
*Alkylates
*alpha-olefins
Butane (all forms)
C-4 hydrocarbons (unsaturated)
Calcium stearate
Caprolactam
Carboxymethyl cellulose
Cellulose acetate butyrates
*Cellulose ethers
Cumene hydroperoxide
Cyclohexanol
Cyclohexanol, cyclohexanone (mixed)
Cyclohexanone
Cyclohexene
*C12 -- C18 primary alcohols (mixed)
*C5 concentrates
*C9 concentrates
Decanol
Diacetone alcohol
*Dicarboxylic acids -- salts
Diethyl ether
Diethylene glycol
Diethylene glycol diethyl ether
Diethylene glycol dimethyl ether
Diethylene glycol monoethyl ether
Diethylene glycol monomethyl ether
*Dimer acids
Dioxane
Ethane
Ethylene glycol monophenyl ether
*Ethoxylates, miscellaneous
Ethylene glycol dimethyl ether
Ethylene glycol monobutyl ether

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Ethylene glycol monoethyl ether
Ethylene glycol monomethyl ether
Glycerine (synthetic)
Glyoxal
Hexane
*Hexane and other C6 hydrocarbons
Isobutanol
Isobutylene
Isobutyraldehyde
Isophorone
Isophthalic acid
Isoprene
Isopropyl acetate
Ligninsulfonic acid, calcium salt
Maleic annydride
Methacrylic acid
*Methacrylic acid esters
Methane
Methyl ethyl ketone
Methyl methacrylate
Methyl tert-butyl ether
Methyl isobutyl ketone
n-alkanes
n-butyl alcohol
n-butyl acetate
n-butyraldehyde
n-butyric acid
n-butyric anhydride
*n-parafins
n-propyl acetate
n-propyl alcohol
Nitrilotriacetic acid
Nylon salt
Oxalic acid
*Oxo aldehydes -- alcohols
Pentaerythritol
Pentane
*Pentenes
*Petroleum sulfonates
Pine oil
Polyoxybutylene glycol
Polyoxyethylene glycol
Propane
Priopionaldehyde
Propionic acid
Propylene glycol
sec-butyl alcohol
Sodium formate

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Sorbitol
Stearic acid, calcium salt (wax)
tert-butyl alcohol
1-Butene
1-Pentene
1,4-Butanediol
Isobutyl acetate
2-Butene (cis and trans)
2-Ethylhexanol
2-Ethylbutyraldehyde
2,2,4-Trimethyl-1, 3-pentanediol

2) Amine and amide organic chemicals
2,4-Diaminotoluene
*Alkyl amines
Aniline
Caprolactam, aqueous concentrate
Diethanolamine
Diphenylamine
*Etnanolamines
Ethylamine
Ethylenediamine
Ethylenediaminetetraacetic acid
*Fatty amines
Hexamethylenediamine
Isopropylamine
m-Toluidine
Melamine
Melamine crystal
*Methylamines
Methylene dianiline
n-butylamine
N,N-diethylaniline
N,N-dimethylformamide
*Nitroanilines
Polymeric methylene dianiline
sec-butylamine
tert-butylamine
Toluenediamine (mixture)
*Toluidines
o-Phenylenediamine
1,4-Phenylenediamine dihydrochloride
2,6-Dimethylaniline
4-(N-Hydroxyethylethylamino)-2-hydroxyethyl aniline
4,4'-Methylenebis(N,N'-dimethyl) aniline
4,4'-Methylenedianiline

3) Aromatic organic chemicals
alpha-methylstyrene

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*Alkyl benzenes
*Alkyl phenols
*Alkylbenzene sulfonic acids, salts
Aminobenzoic acid (meta and para)
beta-naphthalene sulfonic acid
Benzenedisulfonic acid
Benzoic acid
Bis(2-ethylhexyl)phthalate
Bisphenol A
BTX -- benzene, toluene, xylene (mixed)
Butyl octyl phthalate
Coal tar
*Coal tar products (miscellaneous)
Creosote
*Cresols, mixed
Cyanuric acid
*Cyclic aromatic sulfonates
Dibutyl phthalate
Diisobutyl phthalate
Diisodecyl phthalate
Diisooctyl phthalate
Dimethyl phthalate
Dinitrotoluene (mixed)
Ditridecyl phthalate
m-Cresol
Metanilic acid
Methylenediphenyldiisocyanate
Naphthalene
*Naphthas, solvent
Nitrobenzene
Nitrotoluene
Nonylphenol
p-Cresol
Phthalic acid
Phthalic anhydride
*Tars -- pitches
tert-butylphenol
*Toluenediisocyanates (mixture)
Trimellitic acid
o-cresol
1-Tetralol, 1-tetralone mix
2,4-Dinitrotoluene
2,6-Dinitrotoluene

4) Halogenated organic chemicals
Allyl chloride
Benzyl chloride
Carbon tetrachloride
*Chlorinated paraffins, 35-44% chlorine

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Chlorobenzene
*Chlorobenzenes (mixed)
Chlorodifluoroethane
Chloroform
*Choromethanes
2-Chloro-5-methylphenol (6-Chloro-m-cresol)
*Chlorophenols
Chloroprene
Cyanogen chloride
Cyanuric chloride
Dichloropropane
Epichlorohydrin
Ethyl chloride
*Fluorocarbons (Freons)
Methyl chloride
Methylene chloride
Pentachlorophenol
Phosgene
Tetrachloroethylene
Trichloroethylene
Trichlorofluoromethane
Vinylidene chloride
1,1-Dichloroethane
1,1,1-Trichloroethane
2,4-Dichlorophenol

5) Other organic chemicals
Adiponitrile
Carbon disulfide
Fatty nitriles
*Organo-tin compounds
*Phosphate esters
Tetraethyl lead
Tetramethyl lead
*Urethane prepolymers

b) Specialized definitions. None.
c) Existing sources:
1) The Board incorporates by reference 40 CFR 414.75 ~~(1991)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
d) New sources:
1) The Board incorporates by reference 40 CFR 414.76 ~~(1991)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by

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reference in subsection (d)(1) above shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2407 Specialty Organic Chemicals

a) Applicability. This Section applies to discharges of process wastewater resulting from the manufacture of any SIC 2865 or 2869 organic chemicals and organic chemical groups which are not defined as commodity or build organic chemicals in Section 307.2405 or 307.2406.
b) Specialized definitions. None.
c) Existing sources:
1) The Board incorporates by reference 40 CFR 414.85 ~~(1991)~~ (1994) ~~as amended at 58 Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
d) New sources:
1) The Board incorporates by reference 40 CFR 414.86 ~~(1991)~~ (1994) ~~as amended at Fed. Reg. 36892 (July 9, 1993)~~. This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
3) "New source" means any building, structure, facility or installation the construction of which commenced after March 21, 1983.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2410 Indirect Discharge Point Sources

a) Applicability. This Section applies to discharge of process wastewater resulting from the manufacture of the OCPSF products and product groups defined by 40 CFR 414.11 (1994) from any indirect discharge point source.
b) Specialized definitions. None.
c) Existing sources:

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1) The Board incorporates by reference 40 CFR 414.111 (1994). This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

d) New sources. All sources are treated as existing sources.

(Source: Added at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2490 Non-complexed Metal-bearing and Cyanide-bearing Wastestreams

The Board incorporates by reference 40 CFR 414, Appendix A (1994) ~~(1994), as amended at 57 Fed. Reg. 41044 (Sept. 11, 1992)~~. This incorporation includes no later amendments or editions.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.2491 Complexed Metal-bearing Wastestreams

The Board incorporates by reference 40 CFR 414, Appendix B (1994) ~~(1994), as amended at 57 Fed. Reg. 41044 (Sept. 11, 1992)~~. This incorporation includes no later amendments or editions.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

SUBPART CD: PESTICIDE CHEMICALS

Section 307.6500 General Provisions

a) General definitions. The Board incorporates by reference 40 CFR 455.10 ~~(1986)~~ (1994) ~~51 Fed. Reg. 44911, December 15, 1986~~. This incorporation includes no later amendments or editions.
b) Compliance date. The Board incorporates by reference 40 CFR 455.11 (1994). This incorporation includes no later amendments or editions.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.6501 Organic Pesticide Chemicals Manufacturing

a) Applicability.
1) The Board incorporates by reference 40 CFR 455.20 ~~(1986)~~ (1994) ~~51 Fed. Reg. 44911, December 15, 1986~~. This incorporation includes no later amendments or editions.

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2) This Section applies to discharges resulting from any plant which manufactures organic pesticide chemicals, as defined in the materials incorporated by reference in subsetion (a)(1).

b) Specialized definitions. The Board incorporates by reference 40 CFR 455.21 ~~(1986)~~ (1994). This incorporation includes no later amendments or editions.
c) Existing sources: ~~These sources shall comply with the general and specific pretreatment requirements of Subpart B.~~
1) The Board incorporates by reference 40 CFR 455.26 (1994).This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.
d) New sources: ~~All sources are regulated as existing sources.~~
1) The Board incorporates by reference 40 CFR 455.27 (1994). This incorporation includes no later amendments or editions.
2) No person subject to the pretreatment standards incorporated by reference in subsection (c)(1) shall cause, threaten or allow the discharge of any contaminant to a POTW in violation of such standards.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.6502 Metallo-Organic Pesticides Chemicals Manufacturing

a) Applicability. This Section applies to discharges resulting from the manufacture of metallo-organic active ingredients containing mercury, cadmium, arsenic or copper. The manufacture of the intermediates used to manufacture the active ingredients are excluded from this Section.
b) Specialized definitions. The Board incorporates by reference 40 CFR 455.31 ~~(1986)~~ (1994). This incorporation includes no later amendments or editions.
c) Existing sources: These sources shall comply with the general and specific pretreatment requirements of 307.Subpart B.
d) New sources: All sources are regulated as existing sources.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

Section 307.6503 Pesticide Chemicals Formulating and Packaging

a) Applicability. This Section applies to discharges resulting from all pesticide formulating and packaging operations.
b) Specialized definitions. None.
c) Existing sources: These sources shall comply with the general and specific pretreatment requirements of 307.Subpart B.

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d) New sources: All sources are regulated as existing sources.

(Source: Amended at 19 Ill. Reg. 9142, effective JUN 23 1995)

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1) Heading of the Part: Real Estate Appraiser Certification

2) Code Citation: 68 Ill. Adm. Code 1455

3) Section Numbers: Adopted Action:

1455.15	Amendment
1455.16	New Section
1455.200	Amendment
1455.210	Amendment

4) Statutory Authority: Article 2 of the Real Estate License Act of 1983 [225 ILCS 455/Art. 2]

5) Effective Date of Amendments: June 26 1995

6) Does this rulemaking contain an automatic repeal date? No.

7) Do these Amendments contain incorporations by reference? Yes. Section 1455.15(a) incorporates the 1995 Uniform Standards of Professional Appraisal Practice (USPAP), adopted July 1, 1995, by the Appraisal Standards Board of the Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005-3517, with no later amendments or editions.

8) Date Filed in Agency's Principal Office: June 26, 1995.

9) Date Notice of Proposal Published in Illinois Register: April 14, 1995, at 19 Ill. Reg. 5383.

10) Has JCAR issued a Statement of Objections to these amendments? No.

11) Difference(s) between proposal and final version:

Section 1455.16 was changed to remove a requirement that each appraiser's Illinois license/certification number, designated title and date of license/certification expiration appear near each name in each place in appraisal reports. The Real Estate Appraisal Committee recommended to the Department that this procedure be requested rather than required. The adopted text states that each appraiser's Illinois license/certification number, designated title (State Licensed, Certified Residential, or Certified General Real Estate Appraiser) and date of license/certification expiration shall appear near the name (and signature) on the appraisal certificate.

In Sections 1455.210(b)(1)(C) and (b)(2)(C), language was deleted that read: "The application may request other information deemed necessary by

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the Department".

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No agreement letter was necessary for this rulemaking.

13) Will these Amendments replace an Emergency Amendment currently in effect? No.

14) Are there any Amendments pending on this Part? No.

15) Summary and Purpose of Amendments:

Section 36.6(a)(7) of the Real Estate License Act of 1983 requires the Department of Professional Regulation to provide by rule for reasonable application and renewal fees for approval of pre-licensing education, pre-certification education and continuing education schools and instructors. These Amendments further implement that Section by expanding the fees Section to include renewal fees for pre-license/certification appraisal courses and for continuing education course approval.

These Amendments require all licensed appraisers who contribute to an appraisal report to sign the report. They also update the incorporation by reference of USPAP from the 1994 to the 1995 version and provide Illinois exceptions and supplemental standards to USPAP.

16) Information and questions regarding this amended part shall be directed to:

Department of Professional Regulation
Attention: Jean Courtney
320 West Washington, 3rd Floor
Springfield, Illinois 62786
217/785-0813 Fax: 217/782-7645

The full text of the Adopted Amendments begins on the next page:

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TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER VII: DEPARTMENT OF PROFESSIONAL REGULATION
SUBCHAPTER b: PROFESSIONS AND OCCUPATIONS

PART 1455
REAL ESTATE APPRAISER CERTIFICATION

SUBPART A: RESIDENTIAL AND GENERAL CERTIFICATION

SUBPART B: EDUCATION PROVIDERS

SUBPART C: GENERAL

AUTHORITY: Implementing Article 2 of the Real Estate License Act of 1983 [225 ILCS 455/Art. 2] and authorized by Section 60(7) of the Civil Administrative Code of Illinois [20 ILCS 2105/60(7)].

SOURCE: Emergency rules adopted at 16 Ill. Reg. 16196, effective September 30, 1992, for a maximum of 150 days; rules adopted at 17 Ill. Reg. 1589, effective January 26, 1993; emergency amendment at 17 Ill. Reg. 6668, effective April 19, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 13494, effective July 30, 1993; amended at 18 Ill. Reg. 2379, effective January 28, 1994; emergency amendment at 18 Ill. Reg. 3006, effective February 10, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 8428, effective May 24,

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1994; amended at 19 Ill. Reg. 9176, effective JUN 26 1995.

SUBPART A: RESIDENTIAL AND GENERAL CERTIFICATION

Section 1455.15 Uniform Standards of Professional Appraisal Practice

a) The 1995 Uniform Standards of Professional Appraisal Practice (USPAP), ~~promulgated~~ adopted July 1, 1995, by the Appraisal Standards Board of the Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005-3517, ~~1994~~ are hereby incorporated by reference with no later amendments or editions.

b) Real Estate Appraisers licensed/certified under the Act shall practice in accordance with USPAP standards except where the standard(s) is contrary to Illinois Law or public policy (USPAP, Jurisdictional Exception). Supplemental standards applicable to appraisals for specific purposes or property types may be issued by public agencies and certain client groups (e.g., regulatory agencies, eminent domain authorities, asset managers and financial institutions), provided that such supplemental standard(s) does not diminish the purpose, intent or content of the requirements of the USPAP.

c) A copy of ~~this publication~~ USPAP is available ~~at cost~~ for inspection in ~~from~~ the Real Estate Appraisal Administrator's office, Department of Professional Regulation, located at 320 West Washington, Springfield, Illinois 62786 and may be purchased at cost from the Department, if available; and, is available for purchase from the Appraisal Standards Board of the Appraisal Foundation.

(Source: Amended at 19 Ill. Reg. 9176, effective JUN 26 1995)

Section 1455.16 Jurisdictional Exceptions/Supplemental Standards

All written appraisal reports developed in part or solely by an Illinois Licensed/Certified Appraiser shall identify all persons providing significant contributions to the analysis and conclusions. Each appraiser's Illinois license/certification number, designated title (State Licensed, Certified Residential, or Certified General Real Estate Appraiser) and date of license/certification expiration shall appear near the name (and signature) on the appraisal certificate.

(Source: Added at 19 Ill. Reg. 9176, effective JUN 26 1995)

SUBPART B: EDUCATION PROVIDERS

Section 1455.200 Approval of Education Providers/Courses

a) An entity seeking approval as an appraisal education provider shall

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submit an application, on forms provided by the Department, and shall meet the following minimum criteria:

1) The provider shall:

A) Maintain a fixed office that is adequate for the maintenance of all records, office equipment, files, telephone equipment and office space necessary for customer service;

B) Offer a minimum of one curriculum that conforms to the standards of subsections (c) and (d) of this Section;

C) Administer a mandatory final examination for each pre-license course offering;

D) Provide each student within 21 days of completion of each course (or within 21 days of a request by a student or the Department), a certification of completion, transcript or other document verifying hours of attendance, successful course completion and identifying the course by name and number, if any. In addition, such certificate, transcript or other document shall indicate the provider's address and telephone number, the location and date of the course, and include an authorized signature of the course provider's representative. Documentation for CE courses may be in the form of a Uniform Request for Continuing Education, which is a form supplied by national appraisal organizations;

E) Submit the fee(s) set forth in Section 1455.210;

F) Comply with all applicable fire, building, zoning, health, safety and accessibility codes and standards pertaining to the premises, equipment and facilities of the course site;

G) Provide the student with information which specifies the course of study to be offered; the tuition to be charged; the school's policy regarding refund of unearned tuition when a student is dismissed or withdraws voluntarily or through hardship; any additional fee to be charged for supplies, materials or books which become the property of the student upon payment; and such other matters as are material to the relationship between the school and the student (e.g., cost of retaking a course, current status of licensure, any disciplinary action taken by the Department and attendance requirements);

H) Maintain for each student a record which shall include the course of instruction undertaken, dates of attendance, and areas of study completed satisfactorily. Each student's record shall be maintained by the school for a period of at least 7 years and shall be available for inspection by the student or by the Department or its designee during regular business hours; and

I) Employ competent instructors.

i) Beginning December 31, 1993, instructors for courses in the IL IV and IL V curricula shall be Certified General Real Estate Appraisers or full time faculty

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members of a 4-year college or university.

ii) Beginning December 31, 1993, instructors for courses in the IL I, IL II and IL III curricula shall be Certified Residential or Certified General Real Estate Appraisers or full time faculty members of a 4-year college or university.

iii) For CE courses and courses in the IL E curriculum, instructors should be Certified Residential or General Real Estate Appraisers or persons with education and/or experience in appraisal or the subject matter of the course.

2) Approved course providers shall not advertise as being endorsed, recommended or accredited by the Department. Course providers may indicate that the provider and course of study have been approved by the Department.

3) Colleges and Universities

A) Colleges and universities which apply as appraisal education providers under subsection (a)(1) above shall be accredited by the regional accrediting body and offer either or both an associate's and baccalaureate degree program.

B) Colleges and universities will not be required to pay the application fees required by Section 1455.210.

b) Appraisal Education Sub-Providers

1) Sub-organizations (such as chapters, branch schools and local associations) may seek CE course approval (licensure) under the appraisal education provider's license of the parent organization. Such sub-providers may not seek approval for pre-license appraisal courses. Sub-providers may offer pre-license courses as a co-sponsor with the parent provider.

2) Sub-organizations need not apply to the Department to become an approved CE course provider but may seek course approval under the providership of the parent organization.

A) A sub-provider need not comply with (A), (C), (D) or (H) of subsection (a)(1) of this Section.

B) The license of the parent organization may not be jeopardized or disciplined as a result of the actions of the sub-provider.

3) The appraisal education sub-provider, on each application for CE course approval, must certify:

A) The sub-organization has reviewed the CE course and approves the course content;

B) The sub-organization is an authorized affiliate of the parent organization;

C) The parent organization has given the sub-organization permission to seek course approval (licensure) under the umbrella of the parent organization's provider's license; or, that the parent organization will recognize the course for CE credit within its own CE program.

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4) Each CE course sub-provider shall issue to each registered student a certificate of attendance that shall indicate the student's name, social security number or appraiser license/certification number, the date(s) and location of the course, the signature of an authorized representative of the sub-provider and a statement that the student did or did not attend a minimum of 90% of the course. A certificate of attendance may be in the form of a course attendance diploma, a certification letter, an official transcript or a "Uniform Request for Continuing Education Credit".

5) Within twenty-one (21) days after completion of each CE course presentation, the sub-provider shall certify to the Department, Office of the Appraisal Administrator, a roster of all duly registered students. The certification shall be on forms provided by the Department and shall include:

A) The CE course license number;

B) The license number of the parent provider;

C) The date(s) and location of the CE presentation;

D) The name of the instructor(s);

E) A listing of students by full name, appraiser license/certification number (or social security number) and an indication that the student did or did not attend a minimum of 90% of the course (the names shall be listed in alphabetical order); and

F) The authorized signature of a representative of the sub-organization.

c) Required Pre-License/Certification Course Curriculum

1) Standards of Professional Appraisal Practice--15 hours (IL I). This course curriculum reviews USPAP adopted by the Appraisal Subcommittee. Topics are:

A) Ethics Provision - USPAP

B) Competency Provision - USPAP

C) Departure Provision - USPAP

D) Standard 1 - USPAP

E) Standard 2 - USPAP

F) Standard 3 - USPAP

G) Standard 4 - USPAP

H) Standard 5 - USPAP

I) Standard 6 - USPAP

2) Basic Principles of Appraisal--30 hours (IL II). This course curriculum shall include an overview of the appraisal process covering the principles of market and valuation analysis necessary for appraising real property and an introduction to appraisal theory, concepts, techniques and the level of competence required to perform professional appraisal analyses. Topics are:

A) Influences on Real Estate

B) Real Estate/Real Property/Personal Property

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C) Real Estate Ownership
D) Legal Descriptions
E) Types of Value
F) Economic Principles
G) Real Estate Markets and Market Analysis
H) Money and Capital Markets
I) Real Estate Financing
J) Valuation Process
K) Neighborhood Data and Analysis
L) Site Data and Analysis
M) Improvement Data and Analysis
N) Basic Construction and Design
O) Highest and Best Use Analysis
P) Sources of Valuation Data
Q) Accumulation of Valuation Data
R) Overview of the Three Approaches to Value
S) Reconciliation and Final Value Estimate
T) Overview of the Appraisal Report

3) Residential Valuation Procedures/Single Family Appraisal--30 hours (IL III). This course curriculum shall be designed to provide an understanding and working knowledge of the procedures and techniques required to estimate the market value of residential properties. Emphasis should be placed on the extraction of data and the correct application of the three approaches to real estate valuation. Topics are:
A) Basic Statistics
B) Residential Site Valuation - Sales Comparison
C) Residential Site Valuation - Allocation
D) Residential Site Valuation - Extraction
E) Cost Approach - Cost New Estimates
F) Cost Approach - Entrepreneurial Profit
G) Cost Approach - Types of Depreciation
H) Cost Approach - Depreciation - Age-Life Method
I) Cost Approach - Depreciation - Market Extraction Method
J) Cost Approach - Depreciation - Breakdown Method
K) Cost Approach - Application
L) Sales Comparison Approach - Units of Comparison
M) Sales Comparison Approach - Elements of Comparison
N) Sales Comparison Approach - Cash Equivalency
O) Sales Comparison Approach - Making Adjustments
P) Sales Comparison Approach - Application
Q) Income Capitalization Approach - Gross Rent Estimates
R) Income Capitalization Approach - Gross Rent Multiplier
S) Income Capitalization Approach - Application
T) Residential Appraisal Reports

4) Valuation Procedures, Nonresidential Properties--30 hours (IL IV). This course curriculum focuses on the appraisal of nonresidential properties and provides a practical solution for

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estimating value by an in-depth study of appraisal theory and the development of advanced valuation skills. Topics are:
A) Basic Statistics
B) Site Valuation - Sales Comparison
C) Site Valuation - Allocation/Extraction
D) Site Valuation - Subdivision Analysis/Other Methods
E) Cost Approach - Cost New Estimates
F) Cost Approach - Entrepreneurial Profit
G) Cost Approach - Types of Depreciation
H) Cost Approach - Depreciation - Age-Life Method
I) Cost Approach - Depreciation - Market Extraction Method
J) Cost Approach - Depreciation - Breakdown Method
K) Cost Approach - Application
L) Sales Comparison Approach - Units of Comparison
M) Sales Comparison Approach - Elements of Comparison
N) Sales Comparison Approach - Cash Equivalency
O) Sales Comparison Approach - Making Adjustments
P) Sales Comparison Approach - Application
Q) Income Approach - Income Estimates
R) Income Approach - Expense Estimates
S) Income Approach - Capitalization Rates
T) Income Approach - Direct Capitalization
U) Income Approach - Income Multipliers
V) Income Approach - Application
W) Appraisal Reports

5) Income Capitalization--30 hours (IL V). Courses in this curriculum are to provide alternative methods of estimating present value based on income forecasts. There courses focus on more advanced capitalization methods and techniques. Topics include:
A) Six Functions of $1
B) Gross Income Estimates
C) Vacancy and Collection Loss
D) Operating Expense Estimates
E) Reserves for Replacement
F) Operating Statement Ratios and Multipliers
G) Debt Service/Equity Dividend
H) Direct Capitalization
I) Overall Rate Development - Market Extraction
J) Overall Rate Development - Band of Investment
K) Overall Rate Development - Ratios/Multipliers
L) Overall Rate Development - Residual Techniques
M) Equity Dividend Rate
N) Debt Coverage Ratio
O) Cash Flow Estimates
P) Reversion Estimates
Q) Discount and Yield Rates
R) Yield Capitalization Overview

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S) Discounted Cash Flow Analysis Overview
T) Lease Provisions, Analysis and Valuation
U) Lease Analysis
V) Partial Interest Valuation

6) Courses in the IL E curriculum (electives) are courses with topics that are considered more advanced; and/or cover appraisal topics not covered in the core course curricula. Credit for elective hours can be achieved by successful completion of courses approved in the IL E curriculum or by successful completion of courses with excess hours approved and allocated for elective credit in accordance with subsection (c)(9) of this Section.

7) Each pre-license/certification course shall be a minimum of 15 credit hours.

8) All pre-license/certification courses shall include a final examination.
   A) Each final exam for curricula IL II, IL III, IL IV, IL V and IL E (elective) courses shall consist of a minimum of 50 questions; however, courses approved for 15 hours credit may have a final examination with 25 questions.
   B) The final exam for IL I courses shall consist of a minimum of 25 questions.
   C) The applicant shall pass the examination in order to obtain credit for a course. A passing score shall be a minimum of 70% of examination questions answered correctly.

9) If 80% of the required topics for IL II through IL V courses are presented, the course shall be approved for the minimum required hours. Two 15 hour courses from a single provider may be approved to meet a 30 hour curriculum requirement, provided the courses together cover a minimum of 80% of the required curriculum topics. An application for one 15 hour course in a curriculum requiring 30 hours will be denied. For courses in the IL I curriculum 100% of the listed topics must be covered. IL E courses will be approved based upon the Committee's review of the course as to the value of topics to be presented and their relationsnip to the appraisal process.
   A) Classroom hours in excess of the curriculum requirement may be approved for elective credit. Such approval is limited to 9 excess hours for courses in a 30 hour curriculum requirement and 5 excess hours for courses in a 15 hour curriculum requirement:
   B) Excess hours may be approved, within the above limits based upon the Committee's evaluation of the appraisal educational value of the excess hours.

10) All changes in course content shall be submitted to the Department for review and evaluation.

11) The license for all pre-license/certification courses shall expire 36 months from the date of issue. An approved provider

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may renew the course approval by ~~filing a new application in accordance with the provisions of this Section. The new application should be filed 60 days prior to the expiration of the license.~~ completing a renewal application and paying the renewal fee, in accordance with Sections 1455.210(b)(1)(A) and 1455.300(c) of this Part.

d) CE Course Requirement
   1) Courses licensed by the Department for pre-license/certification appraiser education are approved for CE credit. The renewal applicant will be awarded credit for attendance at these courses provided the license for the course was valid and in good standing at the time of attendance; and provided the course is not repetitious as indicated by Section 1455.205. CE credit for pre-licensure certification education will be awarded as 15 hours for 15 hour courses and 20 hours for 30 (or more) hour courses.
   2) CE courses shall be approved by the Appraisal Administrator, upon the recommendation of the Committee, for courses with or without a final examination.
   3) The application for each course approval shall include a description of the course, a course (or instructor's) outline that shall list the time frame for topic presentation, the number of classroom instruction hours excluding examination, the time allotted for examination (if any), the specific course name as it will appear on transcripts or course certifications, a sample of the certificate, the transcript or other documentation that will be used to document the student's attendance and any other information that may be required by the Department.
      A) An applicant may be required to submit texts and all other course materials for evaluation by the Appraisal Committee.
      B) The application for CE courses being offered by a sub-provider shall also include a certification in accordance with subsection (b)(3) of this Section.
   4) The Committee/Administrator shall approve courses that would contribute to the integrity, extension and enhancement of professional skills and knowledge in the practice of Real Estate Appraisal. Courses submitted for approval should be designed to cover at least one of the following topics:
      A) Ad Valorem Taxation
      B) Arbitration
      C) Business Courses (related to practice of real estate appraisal)
      D) Construction Cost Estimating
      E) Ethics and Standards of Professional Practice
      F) Illinois Appraiser Licensing Laws and/or Rules
      G) Land Use, Planning, and Zoning
      H) Property Development
      I) Real Estate Appraisal (valuation/evaluation)
      J) Real Estate Management, Leasing, Brokerage, Timeshare

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K) Real Estate Law
L) Real Estate Litigation
M) Real Estate Finance or Investment
N) Appraisal Computer Applications
O) Real Estate Securities and Syndications
P) Real Property Exchange
Q) Other topics deemed appropriate by the Committee/Administrator.

5) The Committee/Administrator shall not approve:
A) Motivation courses or seminars
B) Courses that focus instruction to increase appraiser income
C) Courses or seminars that focus on the recruitment of employees or clients
D) Courses or seminars with instructional material relative to associations
E) Courses or seminars with instructional material relative to passing the State's appraiser examination
F) Having less than three classroom hours of instruction exclusive of examination (if any)
G) A course for more than 20 hours CE credit

6) Subsequent to approval of any CE course, revisions in course content and/or course material shall be submitted for re-evaluation and re-approval. Failure to report course changes may result in revocation of the CE course license. The fee for re-approval shall be in accordance with Section 1455.210.

7) Approval (license) for CE courses shall expire on March 31 of even numbered years. The provider or sub-provider may renew the approval (license) by ~~filing a new application in accordance with the provisions of this Section.~~ completing a renewal application and paying the renewal fee, in accordance with Sections 1455.210(b)(2)(A) and 1455.300(d) of this Part.

e) Audits and Inspections. The Department may conduct on site inspections of the course provider's (or sub-provider's) place of business and may audit any session of any course approved for pre-license or CE credit.

1) At the request of the Appraisal Administrator, a course provider shall provide a list of all courses that the provider is planning to offer within a 6 month period subsequent to the request. The list shall include the name and license number of each course, as well as the date, time and location of each presentation.

2) In the event of a course audit, the provider shall provide the Department representative, at no cost, any and all course materials used in the presentation of the course being audited.

3) The Appraisal Administrator, a member of the Administrator's staff, an Appraisal committee member or other designated Department employee may inspect the business office of any course provider (or sub-provider) during normal business hours.

f) Withdrawal of Approval

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1) The Department, upon recommendation of the Real Estate Appraisal Committee, shall withdraw, suspend or place on probation in accordance with 68 Ill. Adm. Code 1110 the approval of the real estate appraiser education provider when the quality of the program fails to continue to meet the established criteria of an approved provider as set out in this Section or upon determination that the decision to approve the program was based upon false or deceptive information.

2) The provider's license will terminate immediately upon the failure to renew. Course licenses will terminate upon the expiration date or immediately upon the termination of the provider's license. The provider may thereafter reapply for approval as an appraiser education provider and for course approval.

(Source: Amended at 19 Ill. Reg. 9176, effective JUN 26 1995)

Section 1455.210 Fees - Education Providers/Courses

a) Application/Renewal Fees for Appraiser Education Providers

1) The fee for application as a real estate appraiser education provider shall be $1000, plus course approval fees set forth in subsection (b) below, which are non-refundable.

2) The fee for renewal of an approved real estate appraiser education provider shall be $500 per year which is non-refundable.

A) The fee to renew an appraiser education provider license that has expired for less than 60 days shall be $500 plus a penalty of $100.

B) An appraiser education provider's license that has expired for more than 60 days may not be renewed. The provider may reapply for licensure in accordance with Section 1455.200.

b) Application Fees for Pre-license/certification and CE Course Approval

1) The application fee for a pre-license/certification appraisal course shall be $500 and each approved course ~~must be re-evaluated and re-approved~~ will expire ~~every~~ 3 years from the date of issue; or, upon the expiration of the provider license (for which the course license is subordinate).

A) The course may be renewed (subject to a valid provider's license) for an additional 3 years by completion of a renewal application provided by the Department and payment of a non-refundable renewal fee of $250.

B) Renewal applications received after the expiration date shall be $300. Applications received 366 days or more after the expiration date shall not be renewed. The applicant may submit a new application for approval of the pre-license/certification course under a different course

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title.

C) The renewal application shall include a confirmation of the provider's original certification and a certification that the course is essentially the same course as previously approved. In addition to the application, the applicant must explain any course revisions in detail, submit a listing of texts and other materials used in the course as well as the current final examination and the current course outline, which shall contain a time schedule for topic presentation.

2) The application fee for CE course approval shall be $300 and the approval (license) for each course ~~must be re-evaluated~~ may be renewed prior to its expiration date, which is March 31 of even numbered years. A course meeting the requirements of a pre-license/certification course as set forth in Section 1455.200(c)(1) through (5) will be denied licensure as a CE course; however, such course may be approved by application for approval as a pre-license/certification course and payment of the appropriate fee.

A) The CE course may be renewed for an additional 2 year licensure term by completion of a renewal application which shall be provided by the Department and payment of a renewal fee of $150.

B) The renewal fee, if submitted after the expiration date, shall be $200. Any application for CE course renewal received by the Department 366 days or more after the expiration date shall not be renewed. The applicant may submit a new application for approval of the course under a different course title.

C) The renewal application shall include a confirmation of the provider's original certification and a certification that the course is essentially the same course as previously approved. In addition to the application, the applicant must explain any course revisions in detail, submit a listing of texts and other materials used in the course and the current course outline, which shall contain a time schedule for topic presentation.

3) The fee for evaluation of revisions to approved courses shall be $200 for pre-license/certification courses and $75 for CE courses.

(Source: Amended at 19 Ill. Reg. 9176, effective JUN 26 1995)

DEPARTMENT OF VETERANS AFFAIRS

NOTICE OF ADOPTED RULES

1) Heading of the Part: Korean War Memorial Construction Fund

2) Code Citation: 95 Ill. Adm. Code 122

3)

Section Numbers:	Adopted Action:
122.10	New
122.20	New
122.30.	New
122.40	New

4) Statutory Authority: Act creating the Korean War Memorial Construction Fund (Public Act 88-560, effective August 4, 1994, Public Act 88-666, effective September 16, 1994) and Public Act 88-551 Article 78, Section 9, effective July 13, 1994.

5) Effective Date of Rulemaking: June 23, 1994

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: May 18, 1995

9) Notice(s) of Proposal Published in Illinois Register: March 10, 1995, 19 Ill. Reg. 2757

10) Has JCAR issued a Statement of Objections to these rules? No

11) Difference(s) between proposal and final version?

The following changes were made in response to comments received during the first notice or public comment period:

1. In line 11, change "88-560" to "88-560," and "88-666" to "88-666,".

2. In line 12, change "Section 9" to "Section 9,".

12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? Yes

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: To create rules and procedures to govern the granting of funds by the Department of Veterans Affairs to the Grantee for the construction of a Korean Veterans Memorial at Oakridge Cemetery in Springfield.

DEPARTMENT OF VETERANS AFFAIRS

NOTICE OF ADOPTED RULES

16) Information and questions regarding these adopted rules shall be directed to:

Vickey Campbell
Manager, State Grants
Department of Veterans' Affairs
P.O. Box 19432
833 S. Spring Street
Springfield, Illinois 62794-9432
(217) 782-3418

The full text of the Adopted Rule begins on the next page:

DEPARTMENT OF VETERANS AFFAIRS

NOTICE OF ADOPTED RULES

TITLE 95: VETERANS AND MILITARY AFFAIRS
CHAPTER I: DEPARTMENT OF VETERANS' AFFAIRS

PART 122
KOREAN WAR MEMORIAL CONSTRUCTION FUND

Section
122.10 Definitions
122.20 Purpose and Scope
122.30 Funding Procedure
122.40 Accounting Requirements

AUTHORITY: Act creating the Korean War Memorial Construction Fund (Public Act 88-560, effective August 4, 1994, Public Act 88-666, effective September 16, 1994) and Public Act 88-551 Article 78, Section 9, effective July 13, 1994.

SOURCE: Emergency Rules adopted at 18 Ill Reg. 15449, effective September 21, 1994, for a maximum of 150 days; adopted at 19 Ill. Reg. 9190, effective JUN 2 3 1995.

Section 122.10 Definitions

"Department" means the Illinois Department of Veterans' Affairs.

"Director" means the Director of the Illinois Department of Veterans' Affairs.

"Grantee" means the Illinois Korean Veterans' Memorial Fund Committee.

Section 122.20 Purpose and Scope

The purpose of this Part is to create rules and procedures to govern the granting of funds by the Department to the Grantee for the construction of a Korean Veterans' Memorial at Oakridge Cemetery in Springfield.

Section 122.30 Funding Procedure

Before any funds are awarded the Grantee will provide the Department with a full accounting of funds raised to date. This report will include:

a) amounts and sources/categories of all contributions;
b) amounts and nature of all expenditures from these funds;
c) balance of funds available;
d) full and complete scope of work to include plans, design, and estimated costs.

DEPARTMENT OF VETERANS AFFAIRS

NOTICE OF ADOPTED RULES

Beginning payment will be matching; i.e, equal amounts of contributed funds with appropriated money. In this method of funding, the contributed funds will be expended with an equal amount of appropriated money to the extent that contributed funds are available.

Section 122.40 Accounting Requirements

a) The Grantee will keep detailed and concise records of all receipts and expenditures. All financial records will be kept according to the standards of the Financial Accounting Standards Board of the American Institute of Certified Public Accountants.
b) All Grantee Records are subject at anytime to an audit by the Department's internal auditor and/or independent CPA firm.
c) At the end of each quarter the Grantee will submit to the Department a report of funds contributed and sources along with itemized expenditures and balance of funds on hand.
d) State funds granted under this program are to be used only for expenses associated with the construction of the Illinois Korean Veterans' Memorial, including sidewalks and parking lots adjacent to the memorial. State contributions are not to exceed $450,000.

COMMISSIONER OF BANKS AND TRUST COMPANIES

NOTICE OF EMERGENCY RULE

1) Heading of the Part: Quarterly Statement of Affairs

2) Code Citation: 38 Ill. Adm. Code 371

3)

Section Number:	Emergency Action:
371.10	New Section
371.20	New Section
371.30	New Section
371.40	New Section
371.50	New Section
371.60	New Section

4) Statutory Authority: Section 48 of the Illinois Banking Act [205 ILCS 5/48].

5) Effective Date of Rule: June 30, 1995.

6) If this Emergency Rule is to expire before the end of the 150-day period, please specify the date on which it is to expire: N/A

7) Date Filed in Agency's Principal Office: June 26, 1995

8) Reason for Emergency: The United States Congress passed and the President signed the Riegle Community Development and Regulatory Improvement Act of 1994 which, among other provisions, repealed all requirements in federal law that commercial banks publish quarterly statements of condition in newspapers. Based upon provisions of the Illinois Banking Act ("Act") which provide for parity between state and national banks, and to prevent a competitive disparity with national banks, the Commissioner of Banks and Trust Companies determined not to require state banks to publish a quarterly statement of condition and so advised the banks in September 1994. The Commissioner also initiated legislation [S.B. 552] in the Illinois General Assembly to delete the now obsolete references to such publications in Section 47 of the Act. S.B. 552 passed the Senate, was favorably reported by the House Financial Institution Committee, but was not called for final passage. Illinois Attorney General, Jim Ryan, on May 25, 1995, issued Attorney General Opinion 95-002, in which he concluded that Section 47 of the Act requires that state banks publish the quarterly statement of condition unless and until the Act is amended to delete the requirement. Section 47 requires that the Commissioner promulgate the form that the Commissioner sends in the call for the statements of affairs and the form for the publication pursuant to Section 47 of the Act. The Commissioner must issue the next call for the statement of affairs to each state bank and foreign banking corporation on June 30, 1995. Therefore, the form and accompanying rule must be promulgated on an emergency basis with a June 30, 1995, effective date.

COMMISSIONER OF BANKS AND TRUST COMPANIES

NOTICE OF EMERGENCY RULE

9) Complete Description of the Subjects and Issues Involved: The subject of this rule is: the filing of quarterly statements of affairs by Illinois state banks and foreign banking corporations with certificates to conduct banking business in Illinois. The issues addressed in this rule are: (1) the form and content of the statement of affairs; (2) the publication of the statement of affairs in a newspaper for the benefit of bank customers or potential customers; (3) the required evidence of publication; (4) the delineation of additional information that the Commissioner may request from such banks in order to perform the Commissioner's confidential bank supervisory mission which is not required to be published. With respect to the form and content of the statement of affairs, the Commissioner has included financial information which the Commissioner and other banking regulators deem most relevant and which will inform bank customers or potential customers of the overall condition of the bank--total assets, total liabilities and equity capital which, together with the capital-asset ratio, inform customers the amount of shareholder equity which is available for protection of depositors before reliance upon deposit insurance. The capital-asset ratio also informs a customer whether the bank is likely to be required to take corrective action based upon requirements in federal statutes and regulations. The description of publication is derived from the statutory definitions of "published" with the additional guidance that the bank, when choosing which of many newspapers is eligible to publish its statement of affairs, should select a newspaper that, in the bank's judgment, is most likely to be read by the largest numbers of its customers. The evidence of publication will be a traditional publisher's certificate with which newspapers and banks are familiar. Finally, the Commissioner distinguishes between information requested pursuant to Section 47, which must be published, and other information that the Commissioner requests pursuant to Section 48 to assist in the examination and supervisory process. Most information requested pursuant to Section 48 is confidential and not appropriate for public disclosure much less publication in a newspaper.

10) Are there any Proposed Amendments pending to this Part? No

11) Statements of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate.

12) Information and questions regarding this Emergency Rule shall be directed to:

Dale R. Turner
Assistant General Counsel
Illinois Commissioner of Banks and Trust Companies
310 South Michigan Avenue
Suite 2130
Chicago, Illinois 60604
(312) 793-4120

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NOTICE OF EMERGENCY RULE

The full text of the Emergency Rule begins on the next page:

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NOTICE OF EMERGENCY RULE

TITLE 38: FINANCIAL INSTITUTIONS
CHAPTER II: COMMISSIONER OF BANKS AND TRUST COMPANIES

PART 371
QUARTERLY STATEMENT OF AFFAIRS

Section
371.10 Purpose
EMERGENCY
371.20 Definitions
EMERGENCY
371.30 Statement of Affairs Form
EMERGENCY
371.40 Publication
EMERGENCY
371.50 Evidence of Publication
EMERGENCY
371.60 Other Documents, Books, Accounts or Papers
EMERGENCY

AUTHORITY: Implementing Sections 2, 47, 48(4), and 48(6) and authorized by Section 48(6) of the Illinois Banking Act [205 ILCS 5/2, 47, 48(4) and 48(6)].

SOURCE: Emergency Rule adopted at 19 Ill. Reg. 9194, effective June 30, 1995, for a maximum of 150 days.

Section 371.10 Purpose
EMERGENCY

Section 47 of the Illinois Banking Act requires that *all State banks make and publish a full and accurate statement of their affairs at least 1 time during each calendar quarter* and *foreign banking corporations are subject to the same duties, restrictions, penalties and liabilities now or hereafter imposed under the Illinois Banking Act upon State banks.* The purpose of this Rule is to prescribe the form for the quarterly statement as authorized by Section 47, to specify where such publication shall be accomplished, to provide evidence of publication and to require State banks to provide other documents and papers to the Commissioner pursuant to Section 48.

Section 371.20 Definitions
EMERGENCY

"Asset Maintenance Ratio" means the ratio of eligible assets to liabilities requiring cover that a foreign banking corporation maintains pursuant to Section 13 of the Foreign Banking Office Act [205 ILCS 645/13].

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"Appropriate federal banking agency" means the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago or the Federal Reserve Bank of St. Louis, as determined by federal law [12 U.S.C. 1813(q)].

"Capital-Asset Ratio" means tier 1 capital-asset ratio as calculated in accordance with Part 325 of Title 12 of the Code of Federal Regulations.

"Commissioner" means the Illinois Commissioner of Banks and Trust Companies.

"Community" *means the city, village, or incorporated town in this State* in which the bank is located. [205 ILCS 5/2]

"Foreign Banking Corporation" *means a bank organized and operating under the laws of a country other than the United States of America* [205 ILCS 645/2.05] which possesses a certificate of authority from the Commissioner pursuant to the Foreign Banking Office Act [205 ILCS 645].

"Publish" means *the publishing of the notice or instrument referred to in some newspaper of general circulation in the community in which the bank is located one time in each quarter.* [205 ILCS 5/2 and 47]

Section 371.30 Statement of Affairs Form
EMERGENCY

a) Each State bank shall complete a statement of affairs in the following form and shall file one copy with the Commissioner and shall cause to be published a copy of the statement of affairs once in each quarter. Statement of Affairs: Name of Bank, Address, at the close of business on [date], published in response to call made by Commissioner of Banks and Trust Companies, pursuant to 205 ILCS 5/47.

Assets $_____; Deposits and Other Liabilities $_____; Equity Capital $_____; Capital-Asset Ratio _____.

I, [name], [title], of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

[name].

A more comprehensive report of condition is available at the bank as required by the appropriate federal banking agency.

b) Each foreign banking corporation that has procured a certificate of authority pursuant to the Foreign Banking Office Act shall complete a statement of affairs in the following form and shall file one copy

COMMISSIONER OF BANKS AND TRUST COMPANIES

NOTICE OF EMERGENCY RULE

with the Commissioner and shall cause to be published a copy of the statement of affairs once in each quarter.
Statement of Affairs: Name of Bank, Address, at the close of business on [date], published in response to call made by Commissioner of Banks and Trust Companies, pursuant to 205 ILCS 5/47.

Assets $_____; Total Liabilities to Nonrelated Parties $_____; Asset Maintenance Ratio _____.

I, [name], [title], of the above-named foreign banking corporation do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.
[name].

Section 371.40 Publication
EMERGENCY

Each state bank and each foreign banking corporation shall publish the statement of affairs specified in Section 371.30 in a newspaper of general circulation which circulates within the community that the bank serves and which the bank determines is among the newspapers read by a substantial percentage of the bank's customers.

Section 371.50 Evidence of Publication
EMERGENCY

Each state bank and foreign banking corporation after having published the statement of affairs shall obtain a certificate evidencing the required publication and shall provide a copy of such certificate to the Commissioner within the time prescribed by the Commissioner in the call for such reports.

Section 371.60 Other Documents, Books, Accounts or Papers
EMERGENCY

In addition to the statement pursuant to Section 47 of the Act and Section 371.30 of this Part, the Commissioner may, as authorized by Section 48 of the Act, request from any or all state banks or foreign banking corporations such other documents, books, accounts or papers as he or she deems necessary or helpful in supervising that state bank or all state banks, or that foreign banking corporation or all foreign banking corporations, and such other documents, books, accounts or papers shall not be subject to publication pursuant to Section 371.40 of this Part.

DEPARTMENT OF MENTAL HEALTH
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NOTICE OF EMERGENCY AMENDMENTS

1) Heading of the Part: Medicaid Community Mental Health Services Program

2) Code Citation: 59 Ill. Adm. Code 132

3)

Section Numbers:	Emergency Action:
132.10	Amended
132.20	Amended
132.25	Amended
132.30	Amended
132.35	Amended
132.40	Amended
132.50	Amended
132.60	Amended
132.65	Amended
132.70	Amended
132.80	Amended
132.85	Amended
132.95	Amended
132.100	Amended
132.105	Amended
132.110	Repealed
132.115	Amended
132.120	Amended
132.125	Amended
132.130	Amended
132.135	Amended
132.140	Amended
132.145	Amended
132.150	Amended
132.155	Amended
132.160	Amended
132.165	Amended
132.170	Amended
132.Appendix A	Amended
132.Appendix B	Amended
132.Table A	Amended
132.Table B	Amended
132.Table C	Amended

4) Statutory Authority: Implementing and authorized by the Community Services Act [405 ILCS 30] and Section 15.3 of the Department of Mental Health and Developmental Disabilities Act [20 ILCS 1705/15.3].

5) Effective Date of Amendments: July 1, 1995.

6) If these emergency amendments are to expire before the end of the 150-day period, please specify the date on which they are to expire: These

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amendments will not expire before the end of the 150-day period.

7) Date Filed in Agency's Principal Office: June 22, 1995.

8) Reason for Emergency: These amendments are being adopted in response to acknowledgement of situations which constitute a threat to the public interest, safety and welfare in that the State currently offers limited funding resources for providing services to mentally ill adults and children and adolescents. These amendments expand the availability of services, types of treatment to individuals and families in need of mental health services which can be matched with federal financial participation and increases provider participation, i.e., the Department of Corrections has been included as an administrator of services for juvenile parolees either in residential or outpatient settings.

Since provider participation in this program is voluntary, it was necessary to secure the providers' input prior to amending the provisions of services program. Having obtained the providers' input, adoption of these amendments at the earliest possible date is necessary to assure availability of essential mental health services and to minimize the loss of federal financial participation for services actually provided.

9) A Complete Description of the Subjects and Issues Involved: These amendments allow the Department of Mental Health and Developmental Disabilities (the Department), the Department of Children and Family Services and the Department of Corrections to expand the types and availability of medically necessary mental health services and increase the number of providers participating in a voluntary program. Specifically, these amendments:

Add the Department of Corrections as a contract agency to administer mental health services;

Add four new services which will be included under the mental health services Section (services administered by the Department and the Department of Children and Family Services);

Add two new services which will be included under the family intervention, stabilization and reunification services section (services administered by the Departments of Children and Family Services and Corrections);

Add four new direct service classifications to the pool of qualified direct service providers; and

Expand eligibility for services to children and adolescents with V code diagnosis.

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10) Are there any other proposed amendments pending on this Part? No.

11) Statement of Statewide Policy Objectives: This rulemaking does not impact the State Mandates Act [30 ILCS 805].

12) Information and questions regarding these amendments shall be directed to:

Judith Hollenberg
Rules/Records Administrator
Department of Mental Health and Developmental Disabilities
403 Stratton Building
Springfield, IL 62765
(217) 785-3313
FAX: (217) 524-0835

The full text of the emergency amendments begins on the next page:

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NOTICE OF EMERGENCY AMENDMENTS

TITLE 59: MENTAL HEALTH
CHAPTER I: DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

PART 132
MEDICAID COMMUNITY MENTAL
HEALTH SERVICES PROGRAM

SUBPART A: GENERAL PROVISIONS

SUBPART B: PROVIDER ADMINISTRATIVE REQUIREMENTS

SUBPART C: UTILIZATION REVIEW AND CONTINUITY OF SERVICES

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SUBPART D: CLINIC SERVICES

SUBPART E: REHABILITATIVE SERVICES

SUBPART F: CASE MANAGEMENT SERVICES

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NOTICE OF EMERGENCY AMENDMENTS

Components

EMERGENCY
APPENDIX B Utilization Parameters
EMERGENCY
TABLE A Mental Health Clinic Program Client Services
EMERGENCY
TABLE B Rehabilitative Mental Health Services
EMERGENCY
TABLE C Family Intervention, Stabilization and Reunification Services
EMERGENCY

AUTHORITY: Implementing and authorized by the Community Services Act [405 ILCS 30] and Section 15.3 of the Department of Mental Health and Developmental Disabilities Act [20 ILCS 1705/15.3].

SOURCE: Emergency rules adopted at 16 Ill. Reg. 211, effective December 31, 1991 for a maximum of 150 days; new rules adopted at 16 Ill. Reg. 9006, effective May 29, 1992; amended at 18 Ill. Reg. 15593, effective October 5, 1994; emergency amendment at 19 Ill. Reg. 9200, effective July 1, 1995, for a maximum of 150 days.

SUBPART A: GENERAL PROVISIONS

Section 132.10 Purpose
EMERGENCY

a) The requirements set forth in this Part establish criteria for participation by providers who voluntarily elect to participate in the Medicaid community mental health program. The Medicaid community mental health program shall include the provision of specific mental health services pursuant to Subparts D, E and F of this Part supported financially in whole or in part by the Department of Mental Health and Developmental Disabilities, the Department of Children and Family Services (DCFS), the Department of Corrections (DOC) and by Medicaid (42 U.S.C.S. ~~U.S.C.A.~~ 1396 1995 ~~et seq., 1991~~) for grants to states for medical assistance eligible clients, under the Illinois medical assistance program (89 Ill. Adm. Code 140) (Medical Payment) administered by the Department of Public Aid.

b) These requirements are for the purpose of assuring that clients receiving Medicaid community mental health services shall receive quality services in accordance with this Part and in accordance with 42 CFR 440 and 456 1994~~, 1989~~ for Medicaid-eligible clients.

c) The Department and DCFS shall use these requirements to certify, recertify, and periodically review providers participating in the Medicaid community mental health program including the certification and recertification of the provider's eligibility for approval and enrollment in the Illinois medical assistance program by the

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Department of Public Aid (89 Ill. Adm. Code 140) (Medical Payment).

d) The Medicaid community mental health program shall include assessment, treatment, and rehabilitative services for clients who require mental health services as indicated by a diagnosis contained in the International Classification of Diseases, Clinical Modification, Ninth Revision (ICD-9-CM) (Commission on Professional and Hospital Activities, Edwards Brothers, Ann Arbor, Michigan 48106~~,~~ (1979)). This shall include services designed to benefit clients:
   1) With current symptoms of mental illness who require an assessment to determine the need for mental health treatment and/or rehabilitation; or
   2) Who are assessed to require medically necessary mental health treatment and/or rehabilitative services, to promote growth and/or maintenance of age appropriate or independent role functioning; or
   3) Who are experiencing a substantial change/deterioration in age appropriate or independent role functioning, a high level of personal distress, and who require crisis intervention services to achieve stabilization; or
   4) Who, because of substantial impairment in role functioning, require multiple coordinated rehabilitative services delivered in a variety of settings, on an emergency or non-emergency basis.

e) A provider certified under 59 Ill. Adm. Code 130 prior to January 1, 1992, is deemed to be certified under this Part. Certification for those services beyond those enrolled under 59 Ill. Adm. Code 130 requires a written request to the Department from the provider with detailed program description(s), including staff qualifications, for each new additional service to be provided.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.20 Clients' rights and confidentiality
EMERGENCY

To assure that clients' rights are protected and that all services provided to clients comply with the law, providers shall ensure that:

a) The clients' rights shall be protected in accordance with Chapter 2 of the Mental Health and Developmental Disabilities Code ~~[Ill. Rev. Stat. 1991, ch. 91 1/2, par. 2-100 et seq.]~~.

b) The right of clients to confidentiality shall be governed by the Mental Health and Developmental Disabilities Confidentiality Act ~~[Ill. Rev. Stat. 1991, ch. 91 1/2, par. 801 et seq.]~~.

c) Staff shall inform clients receiving services of the following:
   1) Their rights in accordance with subsections (a) and (b) of this Section ~~above and~~;
   2) Their right to contact the Guardianship and Advocacy Commission~~,~~

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and Equip for Equality, Inc. ~~Protection and Advocacy, Inc., and the Department or DCFS, as appropriate.~~ Staff shall offer assistance to clients in contacting these groups giving each client the address and telephone number of the Guardianship and Advocacy Commission and Equip for Equality, Inc. ~~Protection and Advocacy, Inc.~~; and

3) Their right to contact the Department, DCFS or DOC as appropriate.

d) The information in subsection (c) of this Section ~~above~~ shall be explained using language or a method of communication that the clients understand and documentation of such explanation shall be placed in their clinical records.

e) Justification for restriction of client rights under the statutes cited in subsections (a) and (b) of this Section shall be documented in the client's clinical record. In addition, the client affected by such restriction, his or her parent or guardian and any agency designated by the client pursuant to subsection (c)(2) of this Section ~~above~~ shall be notified of the restriction.

f) Every client shall be free from abuse and neglect.

g) Clients or guardians shall be permitted to present grievances and to appeal adverse decisions of the provider up to and including the executive director. A record of such grievances or adverse decision appeal and the response thereto shall be maintained by the provider. The executive director's decision on the grievance shall constitute a final administrative decision (except when such decisions are reviewable by the provider's governing board, in which case the governing board's decision is final) and shall be subject to review in accordance with the Administrative Review Law [735 ILCS 5/Art. III] ~~(Ill. Rev. Stat. 1991, ch. 110, par. 3-101 et seq.)~~.

h) Clients shall not be denied, suspended or terminated from services or have services reduced for exercising any of their rights.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.25 Definitions
EMERGENCY

For the purposes of this Part, the following terms are defined:

"Adaptive functioning, stabilization and developmental interventions." Interventions with an individual or a group of individuals directed toward independent or age-appropriate functioning and emotional stability.

"Adult." An individual who is 18 years of age or older or a person who is emancipated pursuant to the Emancipation of Mature Minors Act

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[750 ILCS 30] ~~(Ill. Rev. Stat. 1991, ch. 40, par. 2201, et seq.)~~.

"CGAS." The Children's Global Assessment Scale as published in the Archives of General Psychiatry, Volume 40, November 1983, pp. 1228-1231.

"Certification." Initial determination and redetermination of the eligibility of a provider to participate in the Medicaid community mental health program and to provide mental health services. Certification is issued by the Department or DCFS upon a determination of compliance with this Part. Certification must be issued by the Department or DCFS prior to enrollment with the Department of Public Aid as a Medicaid provider in order to provide Medicaid reimbursable mental health services. Enrollment as a Medicaid provider is issued by the Department of Public Aid on receipt of a letter of certification by the Department or DCFS and on determination of compliance with 89 Ill. Adm. Code 140.11 by the Department or Public Aid.

"Child or adolescent." For the Department and DOC, an individual who is 17 years of age or younger. For DCFS, an individual who is 17 years of age or younger, except for an individual 18 years of age, but less than 21 years old, who was receiving child welfare services from DCFS prior to his or her 18th birthday and continues to receive such services following his or her 18th birthday.

"Client." An individual who is Medicaid-eligible and is receiving Medicaid community mental health program services financially supported in whole or in part by the Department (Section 1-123 of the Code) ~~(Ill. Rev. Stat. 1991, ch. 91 1/2, par. 1-123)~~, ~~or~~ DCFS~~,~~ or DOC.

"Client-centered consultation." Individual client-focused professional communication between ~~the~~ provider ~~and~~ staff, or staff of other agencies, or with others (including family members) who are involved with providing services to a client with a mental illness~~,~~ for the purpose of implementing or evaluating the treatment plan.

"Code." The Mental Health and Developmental Disabilities Code [405 ILCS 5] ~~(Ill. Rev. Stat. 1991, ch. 91 1/2, par. 1-100, et seq.)~~.

~~"Community-based rehabilitation." An inclusive array of rehabilitative mental health services for adults with serious mental illness and impaired role functioning which focuses on maintenance of community stability, client choice in the array of services and promotion of increased independence. These services are restricted to services licensed under 59 Ill. Adm. Code 115 (Standards and Licensure Requirements for Community Integrated Living Arrangements).~~

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"Comprehensive mental health services." An array of services as described in Subparts E and F of this Part which has been approved by the Department, DCFS or DOC. One or more of these services is provided on a daily basis to a child who has a diagnosis of mental illness, as the term is defined in this Section, in order to restore or maintain the child's emotional or behavioral functioning at a level determined to be necessary for the child's successful functioning in a family, school and/or community. Comprehensive mental health services may only be provided to a child who lives in a specialized substitute care living arrangement. For the Department, the services are restricted to a child who resides in a specialized substitute care living arrangement, as defined in this Section, which is under contract with the Department pursuant to the Department's rules at 59 Ill. Adm. Code 135 (Individual Care Grants for Mentally Ill Children).

"Comprehensive rehabilitative services." An array of services as described in Subparts E and F of this Part which has been approved by DCFS or DOC. One or more of these services is provided on a daily basis to a child for whom DCFS is legally responsible or a DOC youth as defined in this Section and who has either a substantial impairment in role functioning, as indicated by an ICD-9-CM diagnosis or a diagnosis of mental illness, as both terms are defined in this Section, in order to restore or maintain the child's emotional or behavioral functioning at a level determined to be necessary for the child's successful functioning in a family, school and/or community. Comprehensive rehabilitative services may only be provided to a child who lives in a specialized substitute care living arrangement.

"Confidentiality Act." The Mental Health and Developmental Disabilities Confidentiality Act [740 ILCS 110] ~~(Ill. Rev. Stat. 1991, ch. 91 1/2, par. 801 et seq.)~~.

"Crisis intervention." Activities or services to persons who are experiencing a psychiatric crisis which are designed to interrupt a crisis experience including assessment, brief supportive therapy or counseling and referral and linkage to appropriate community services to avoid more restrictive levels of treatment, and which has the goal of symptom reduction, stabilization and restoration to a previous level of functioning.

"Day." A calendar day unless otherwise indicated.

"Day rehabilitation program." Three levels of rehabilitative mental health services provided to persons with mental illness within a format of structured daily activities which are designed to promote improvement in psychological, interpersonal, and age-appropriate or independent role functioning and which shall include intensive

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stabilization, extended treatment and rehabilitation and psychosocial rehabilitation.

"DCFS." The Illinios Department of Children and Family Services.

"Department." The Illinois Department of Mental Health and Developmental Disabilities.

"Developmental rehabilitative services." Specialized interventions in accordance with Sections 132.150 and ~~Section~~ 132.155 using drama, art, music or recreation which are intended to result in the restoration to a maximum level of functioning for clients served by the Department or served by DCFS or for DOC youths pursuant to the Abused and Neglected Child Reporting Act [325 ILCS 5] ~~(Ill. Rev. Stat. 1991, ch. 23, par. 2051 et seq.)~~, the Children and Family Services Act [20 ILCS 505] ~~(Ill. Rev. Stat. 1991, ch. 23, par. 5005 et seq.)~~ or the Juvenile Court Act of 1987 [705 ILCS 405] ~~(Ill. Rev. Stat. 1991, ch. 37, par. 801-1 et seq.)~~ for whom a recommendation for such services has been made by a physician or licensed practitioner of the healing arts.

"Director." The Director of the Department.

"DOC." The Illinois Department of Corrections.

"DOC youth." A youth placed in the legal custody of the Department of Corrections by a court on the basis of delinquency or conviction and who is granted an authorized absence or placed in a post-release setting, including but not limited to parole, mandatory supervised release, or electronic detention.

~~"DSM-III-R." The Diagnostic and Statistical Manual of Mental Disorders, Third Edition revised (American Psychiatric Association, 1987 edition).~~

"DSM-IV." The Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (American Psychiatric Association, 1994 edition).

"Enrollment." The official enrollment of a certified provider in the medical assistance program by the Department of Public Aid on determination of compliance with 89 Ill. Adm. Code 140.11.

"Extended treatment and rehabilitation." Rehabilitative mental health services provided to persons with mental illness within a format of structured daily programming designed to promote growth in or maintenance of age appropriate and independent role functioning.

"Family." A basic unit or constellation of one or more adults and/or

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children, foster or adoptive parents and children, and private individual guardian(s).

"Family counseling." A treatment approach in which one or more mental health staff meets with the client with a mental illness and his or her available family members or with his or her family members on the client's behalf in ongoing periodic formal sessions to deal with daily living issues associated with the client's emotional, cognitive or behavioral problems~~,~~ which are significantly impacted on by current family interactions. This counseling approach uses a variety of supportive and re-educative techniques.

"Family therapy." A treatment approach in which one or more professionals deliberately establish a relationship with a client with a mental illness and his or her immediate family or with his or her family on the client's behalf in ongoing periodic formal sessions~~,~~ when the client's problems are perceived to be substantially due to impaired relations within the family. The goal is to modify family relationships~~,~~ which will result in amelioration or reduction of the client's symptoms of emotional, cognitive or behavioral disorder.

"GAF." The Global Assessment of Functioning Scale contained in the DSM-IV ~~DSM-III-R~~.

"Group counseling." A treatment approach in which one or more mental health staff meets with two or more clients with a mental illness in ongoing periodic formal sessions to deal with daily living issues associated with their emotional, cognitive or behavioral problems using a variety of supportive and re-educative techniques.

"Group therapy." An approach to treatment in which one or more professionals deliberately establish a relationship with two or more clients with a mental illness seen simultaneously in periodic formal sessions with the goal of ameliorating or reducing the symptoms of emotional cognitive or behavioral disorder and promoting positive emotional, cognitive, and behavioral development.

"Guardian." The court-appointed guardian or conservator of the person under the Probate Act of 1975 [744 ILCS 5] ~~(Ill. Rev. Stat. 1991, ch. 110 1/2, par. 1-1 et seq.)~~ or a temporary custodian or guardian of the person of a child appointed by an Illinois juvenile court or a legally-appointed guardian or custodian or other party granted legal care, custody and control over a minor child by a juvenile court of competent jurisdiction located in another state whose jurisdiction has been extended into Illinois via the child's legally authorized placement in accordance with the applicable interstate compact. (The Juvenile Court Act of 1987; Interstate Compact on the Placement of

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Children [45 ILCS 15] ~~(Ill. Rev. Stat. 1991, ch. 23, par. 2601 et seq.)~~

"Individual counseling." A treatment approach in which one mental health staff person meets with one client with a mental illness in ongoing periodic formal sessions, and uses relationship skills to promote the client's ability to deal with daily living issues associated with his or her emotional, cognitive or behavioral problems.

"Individual/family social rehabilitation." Structured activities provided individually or in a group setting to an individual with a mental illness or to his or her family in goal directed sessions directed toward improvement of social, emotional, cognitive, interpersonal or community adaptive functioning, which are based on a clearly defined format which specifies the expected outcome. The approach is distinct from psycnosocial rehabilitation day programming as defined in this Section.

"Individual therapy." A treatment approach in which a professional deliberately establishes a relationship with an individual client with a mental illness in ongoing periodic formal sessions with the goal of ameliorating or reducing the symptoms of emotional, cognitive or behavioral disorder and promoting positive emotional, cognitive and behavioral development.

"Individual treatment plan" or "treatment plan" (ITP). A written document developed by the appropriate service provider staff with the participation of the client with a mental illness and, if applicable, the client's guardian, which specifies the client's diagnosis, problems, and service needs to be addressed, the intermediate objectives and long-term goals for the services and the planned interventions for achieving these goals.

"Intensive family-based services for children and adolescents." A comprehensive psychosocial rehabilitation and training service provided in the home, school or other community-based location to children and adolescents with a mental illness and substantial impairment in role functioning to reduce the risk of more restrictive treatment such as psychiatric hospitalization.

"Intensive stabilization day program." Rehabilitative mental health services provided to persons with mental illness within a format of structured daily programming designed to promote crisis resolution and/or stabilization.

"Level of role functioning." For adults, refers to the client's level

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of functioning in everyday life in three critical areas including~~,~~ vocational/educational productivity, independent living and self-care, and social network relationships. For adults, rating scales such as the GAF or form DMHDD-1215, Specific Level of Functioning Assessment (SLOF), shall be used to assess the severity of the impairment in role functioning for the purpose of initiating services but shall not be used as the criteria for termination or discontinuation of services. Scales approved for use with adults include the GAF Scale. For children and adolescents, these areas include family/home, school and community. Scales approved for use with children and adolescents include, but are not limited to~~,~~ the GAF Scale or the CGAS Scale.

"Licensed practitioner of the health arts (LPHA)." A clinical psychologist licensed under the Clinical Psychologist Licensing Act [225 ILCS 15] ~~(Ill.~~ ~~Rev.~~ ~~Stat.~~ ~~1991~~~~,~~ ~~ch.~~ ~~111~~~~,~~ ~~par.~~ ~~535~~ ~~et seq.)~~ ~~or~~~~,~~ a licensed clinical social worker (LCSW) licensed under the ~~The~~ Clinical Social Work and Social Work Practice Act [225 ILCS 20] or a clinical professional counselor holding a permanent license pursuant to the Professional Counselor and Clinical Professional Counselor Licensing Act [225 ILCS 107] ~~(Ill.~~ ~~Rev.~~ ~~Stat.~~ ~~1991~~~~,~~ ~~ch.~~ ~~111~~~~,~~ ~~par.~~ ~~635~~ ~~et seq.)~~.

"Medicaid." Medical assistance issued by the Illinois Department of Public Aid under the provisions of Title XIX of the Social Security Act (42 U.S.C.S. ~~U.S.C.A.~~ 1396 ~~et seq.,~~ ~~1991~~ (1995)), for eligible recipients including Aid to the Aged, Blind and Disabled (AABD), Aid to Families with Dependent Children (AFDC), Medical Assistance No Grant (MANG), Refugee Repatriate Program (RRP) recipients as well as Title XIX eligible DCFS wards.

"Medicaid case management." Refers to the Title XIX of the Social Security Act case management services that the Department of Public Aid includes in the Medicaid State ~~state~~ plan as covered services for Medicaid-eligible clients and as defined in Subpart F of this Part.

"Medicaid clinic option (MCO)." Refers to clinical services, as authorized in 42 CFR 440.90 (1994)~~,~~ ~~1989~~, and defined in Subpart D of this Part, that at the option of the State may be included in the Medicaid State ~~state~~ plan as covered services for Medicaid clients.

"Medicaid community mental health services program." Assessment, treatment and/or rehabilitative services as defined in this Part which are provided by or under a subcontract with a certified provider under a contractual agreement with either the Department, ~~or~~ DCFS or DOC. These services are supported financially in whole or in part by the Department, ~~or~~ DCFS or DOC and are also included under the Illinois medical assistance program (89 Ill. Adm. Code 140) for eligible clients. Providers must be certified by the Department or DCFS and

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also be enrolled with and be approved by the Department of Public Aid as a Medicaid provider.

"Medicaid rehabilitative services option." Refers to rehabilitative services, as authorized in 42 CFR 440.130~~,~~ ~~1989~~~~,~~ (1994) and defined in Subpart E of this Part, that at the option of the Department of Public Aid may be included in the Medicaid State ~~state~~ plan as covered services for Medicaid-eligible clients.

"Mental health assessment." The formal process of gathering into a written report(s) demographic data, presenting problems, history or cause of illness, history of treatment, psychosocial history and current functioning in emotional, cognitive, social and behavioral domains through a face-to-face or personal contact with the client and collaterals, which results in identifying the client's mental health service needs~~,~~ and in recommendations for service delivery, and may include a tentative diagnosis.

"Mental health case management." Case management services to provide linkage, support and advocacy for persons with mental illness who need multiple services and require assistance in gaining access to and in using mental health, health, social, vocational, education and other community services and resources.

"Mental health professional (MHP)." A mental health professional (MHP) provides services under the supervision of a qualified mental health professional. The mental health professional must possess a bachelor's degree, a practical nurse license pursuant to the Illinois Nursing Act of 1987 [225 ILCS 65] ~~(Ill.~~ ~~Rev.~~ ~~Stat.~~ ~~1991~~~~,~~ ~~ch.~~ ~~111~~~~,~~ ~~par.~~ ~~3501~~ ~~et seq.)~~ or have a minimum of five years supervised experience in mental health or human services.

"Mental illness." A mental or emotional disorder verified by a diagnosis contained in the DSM-IV ~~DSM-III-R~~~~,~~ or ICD-9-CM which substantially impairs the person's cognitive, emotional and/or behavioral functioning; excluding V codes, organic disorders such as dementia and those associated with known or unknown physical conditions such as hallucinosis, amnestic disorder~~,~~ and delirium; psychoactive substance induced organic mental disorders; and mental retardation or psychoactive substance use disorders. For purposes of this Part, this does not exclude individuals with a dual diagnosis of mental retardation or psychoactive substance use disorders as long as a mental illness is the principal diagnosis.

"Occupational therapy." The evaluation, after referral by a physician as part of the total rehabilitation and health care team, of functional performance ability of clients impaired by physical illness

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or injury, emotional disorder, congenital or developmental disability, or the aging process, and the analysis, selection and application of occupations or goal-directed activities, for the treatment or prevention of these disabilities to achieve optimum functioning. Occupational therapy shall be provided in accordance with the Illinois Occupational Therapy Practice Act [225 ILCS 75] ~~(Ill. Rev. Stat. 1991, ch. 111, par. 3701 et seq.)~~.

"Physician." A physician licensed under the Medical Practice Act of 1987 [225 ILCS 60] ~~(Ill. Rev. Stat. 1991, ch. 111, par. 4400-1 et seq.)~~.

"Physician services." The Medicaid community mental health program services which must be provided directly by a physician are psychiatric evaluation and psychotropic medication prescription and review.

"Principal diagnosis." When a person receives more than one diagnosis, the principal diagnosis is the condition that is chiefly responsible for precipitating inclusion in the appropriate Medicaid community mental health program services. A principal diagnosis of mental illness is the condition that will be the main focus of attention or treatment.

"Provider." An agency certified by the Department or DCFS to provide Medicaid community mental health services in accordance with this Part.

"Psychiatric evaluation." An in-depth evaluation of the client conducted by a psychiatrist, or a physician with training in mental health services or one year of clinical experience, under supervision, in treating problems related to mental illness. The psychiatric evaluation covers all aspects of assessment generally accepted as reasonable clinical practice in the field of psychiatry including a statement of assets and deficits and results in a formulation of problems, diagnosis, and treatment recommendations.

"Psychological assessment." An assessment of the client's functioning in emotional, cognitive, intellectual and/or behavioral domains by a licensed clinical psychologist consistent with the Clinical Psychologist Licensing Act using nationally standardized psychological assessment instruments. The assessment results in a formulation of problems, tentative diagnosis and recommendation for treatment or service(s).

"Psychosocial rehabilitation day program." A formal program of daily services directed towards assisting clients with a mental illness to

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function at their highest level in the community. Clients participate, based on individual needs as determined in their treatment plan, in a variety of integrated individual and group services during the regularly scheduled formal program including counseling and adaptive functioning, stabilization and developmental interventions.

"Psychotropic medication monitoring and training." On-going observation of the client's response to his or her medication and information provided to a client with mental illness regarding the appropriate use of the psychotropic medication prescribed for his or her mental illness.

"Qualified mental health professional (QMHP)." One of the following:

A physician licensed under the Medical Practice Act of 1987 to practice medicine or osteopathy with training in mental health services or one year of clinical experience, under supervision, in treating problems related to mental illness, or specialized training (the treatment of children and adolescents);

A psychiatrist (a physician licensed under the Medical Practice Act of 1987) who has successfully completed a training program in psychiatry approved by the American Medical Association, the American Osteopathic Association, or other training program identified as equivalent by the Department;

A psychologist licensed under the Clinical Psychologist Licensing Act with specialized training in mental health services;

A social worker possessing a master's or doctoral degree in social work and licensed under the ~~The~~ Clinical Social Work and Social Work Practice Act with specialized training in mental health services;

A registered nurse licensed pursuant to the ~~The~~ Illinois Nursing Act of 1987 with at least one year of clinical experience in a mental health setting or a master's degree in psychiatric nursing;

An occupational therapist registered pursuant to the Illinois Occupational Therapy Practice Act with at least one year of clinical experience in a mental health setting; or

An individual with a master's degree and at least one year of clinical experience in mental health services and who holds a license to practice marriage and family therapy pursuant to the Marriage and Family Therapy Licensing Act [225 ILCS 55].

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An individual possessing a master's or doctoral degree in counseling and guidance, rehabilitation counseling, social work, vocational counseling, psychology, pastoral counseling, or family therapy~~,~~ or related field, who has successfully completed a practicum and/or internship which includes a minimum of 1,000 hours, or who has one year of clinical experience under the supervision of a qualified mental health professional, ~~,~~ or who is a licensed social worker holding a master's degree with two years of experience in mental health services or who is a permanently licensed professional counselor under the Professional Counselor and Clinical Professional Counselor Licensing Act holding a master's degree with one year of experience in mental health services.

"Rehabilitative assessment." Assessment activities in accordance with Section 132.155 including the use of recognized professional practices and, as necessary, the administration of valid and reliable instruments in order to determine a client's need for rehabilitative services.

"Rehabilitative crisis intervention and stabilization." Intensive, face-to-face interventions with an eligible client and/or family in accordance with Section 132.155 who is experiencing an acute crisis which are intended to result in the short-term restoration of the client's or family's stability and functioning to the extent that the client is not at risk of self-harm or of removal from his or her family or of psychiatric hospitalization or abuse or neglect and/or the client is not at risk of self-harm or of causing harm to others or property.

"Rehabilitative counseling." Counseling in accordance with Section 132.155 which is intended to result in the behavioral or functional changes necessary to restore a DOC youth or an eligible client served by DCFS pursuant to the Abused and Neglected Child Reporting Act, the Children and Family Services Act or the Juvenile Court Act of 1987 who has been determined as the result of a mental health or comprehensive assessment to be in need of rehabilitative counseling, to the level necessary for the client's effective day-to-day functioning.

"Rehabilitative services associate (RSA)." A rehabilitative services associate assists in the provision of services in accordance with Sections 132.150, 132.155, 132.165 and 132.170. A rehabilitative services associate must be at least 21 years old, have demonstrated skills in the field of services adults or children, have demonstrated the ability to work within agency structure and accept supervision, and have demonstrated the ability to work constructively with clients, other providers and the community.

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"Rehabilitative services coordination." Activities in accordance with Section 132.170 intended to directly assist DOC youths or eligible clients served by DCFS pursuant to the Abused and Neglected Child Reporting Act, the Children and Family Services Act or the Juvenile Court Act of 1987 to access rehabilitative services recommended by a physician or LPHA pursuant to the rehabilitative services portion of the treatment plan.

"Rehabilitative services consultation and review." Scheduled meetings with a supervisor, the recommending physician or LPHA or with a team of professionals from multiple disciplines in accordance with Section 132.155 which are for the distinct purpose of reviewing the status of prescribed rehabilitative services and/or determining whether there is a need to change the type or content of prescribed service for DOC youths or clients served by DCFS pursuant to the Abused and Neglected Child Reporting Act, the Children and Family Services Act or the Juvenile Court Act of 1987.

"Rehabilitative services plan." A written plan developed in accordance with Section 132.155 which includes identification of the problems to be addressed, the rehabilitative services to be provided and the outcomes to be achieved for DOC youths or eligible clients served by DCFS pursuant to the Abused and Neglected Child Reporting Act, the Children and Family Services Act or the Juvenile Court Act of 1987.

"Rehabilitative stabilization services." Specific activities in accordance with Sections ~~Section~~ 132.150 and 132.155 undertaken with DOC youths or eligible clients served by the Department or served by DCFS pursuant to the Abused and Neglected Child Reporting Act, the Children and Family Services Act or the Juvenile Court Act of 1987 pursuant to a recommendation for rehabilitative stabilization services. The activities, which may be provided individually or in a group setting, are intended to result in the client developing or maintaining his or her best possible functional level in the areas of family, school or community.

"Rehabilitative transition, linkage and aftercare." Activities in accordance with Section 132.170 completed with or on behalf of a DOC youth or a child for whom DCFS is legally responsible, who is being moved from one living arrangement to another living arrangement or from one provider agency to another provider agency or service provider that are intended to result in an effective transition consistent with the child's need for rehabilitative services and his or her welfare and development, including transition to adult systems of care if indicated and appropriate.

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"Service needs evaluation." The formal process of determining the service needs of the client through an assessment of the client, utilization of information gained from available collaterals (family and associates), data from the mental health assessment~~,~~ and specialized intensive assessments required by the nature of the client's condition, such as a psychiatric evaluation, psychological assessment~~,~~ or other specialized assessment approach.

"Short-term diagnostic and rehabilitative services." Services as described in Subparts E and F of this Part which may include rehabilitative assessment, service plan development, crisis intervention and stabilization, counseling, rehabilitative case management and transition, linkage and aftercare provided for a maximum of 90 days for a DOC youth or a child for whom DCFS is legally responsible and who has a substantial impairment in role functioning as indicated by an ICD-9-CM diagnosis, or has a diagnosis of a mental illness as both are defined in this Section and who resides in a specialized substitute care living arrangement.

"Site." A discrete location other than a licensed foster family home that is owned or leased by a provider for the purpose of providing Medicaid community mental health services at which staff are housed and records maintained.

"Specialized substitute care living arrangement." A residential or group care living arrangement which is supervised by an agency which, if located in the State of Illinois, is licensed pursuant to the Child Care Act of 1969 [225 ILCS 10] and is certified pursuant to this Part and which is under contract to DCFS, the Department or DOC to provide specialized substitute care.

"Substantial impairment of role functioning." Refers to significant limitations in activities of daily living, such as self-care, communications, learning, work skills, social interaction, the ability to self-direct one's behavior at an age-appropriate or independent level and, in the case of a child or adolescent, may include the extrusion or risk of extrusion from family due to emotional and behavioral factors.

(Source: Emergency amendment at 19 Ill. Reg. 92001, effective JUL 1 1995, for a maximum of 150 days)

Section 132.30 Application and certification process
EMERGENCY

a) Any agency having a contract with the Department, ~~or~~ DCFS or DOC for provision of mental health services, ~~or~~ with DCFS for the provision of

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child welfare services or youth services or with DOC for the provision of youth treatment, rehabilitative or transitional services may apply for certification as a provider. Successful applicants will be certified by the Department or DCFS and enrolled as a provider in the Illinois medical assistance program by the Department of Public Aid pursuant to 89 Ill. Adm. Code 140.11.

b) DCFS is authorized to perform the functions ascribed to the Department in this Section and Sections 132.35 through 132.55, in relation to human service agencies contracting with DCFS or DOC as specified in subsection (d) of this Section ~~below~~.

c) Applications may be obtained by submitting a request in writing to:
Department of Mental Health and Developmental Disabilities
Bureau of Certification and Licensure
100 North 9th Street ~~4201 North Oak Park Avenue~~
Springfield ~~Chicago~~, Illinois 62765 ~~60634~~

or

Department of Children and Family Services
Office of Medicaid Certification
406 East Monroe Street
Springfield, Illinois 62701

d) The applicant shall submit to the Department or DCFS a completed "Application for Certification of Community Medicaid Programs" with all necessary accompanying components in accordance with the following:
1) An applicant intending to contract under this Part solely with the Department for children and adolescents and/or adult Medicaid community mental health services shall submit its completed application to the Department; or
2) An applicant intending to contract under this Part solely with DCFS or DOC for children and adolescents Medicaid community mental health services shall submit its completed application to DCFS; or
3) An applicant intending to contract under this Part with both the Department and DCFS ~~Departments~~ for children and adolescents Medicaid community mental health services shall submit its application to either the Department or DCFS; or
4) An applicant intending to contract under this Part with both the Department, DCFS or DOC ~~Departments~~ for children and adolescents Medicaid community mental health services and with the Department for adult Medicaid community mental health services shall submit its completed application to the Department.

e) At the discretion of the Department or DCFS, agencies submitting applications which have all components attached may be certified in accordance with the procedures outlined in either subsection (f) or (g) of this Section ~~below~~.

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f) For applications that have attached to them, at a minimum, a staffing roster, evidence of compliance with State ~~state~~ and local ordinances and codes relating to fire safety for all site(s) where Medicaid reimbursable services are being provided, documentation of compliance from a licensed plumber and electrician that any structure to be used as a site is in compliance with the codes and standards pertaining to the licensing and regulation of plumbers and the National Electrical Code (see Section 132.90) and a copy of the applicant's financial audit for the last ffscal year if it is not on file with the Department or DCFS, the Department or DCFS shall conduct an on-site review within 40 working days after ~~of~~ the receipt of the application.

1) The on-site review shall determine compliance with Level I and Level II requirements of this Part. The applicant shall demonstrate full compliance with the following Level I requirements: ~~The on-site review for full compliance with this Part shall examine all administrative and service standards that pertain to the specific types of Medicaid community mental healt program services for which the applicant is requesting certification:~~

A) Section 132.80;
B) Section 132.85;
C) Section 132.90;
D) Section 132.95;
E) Section 132.100(a), (c), (d), (e), (h) and (i);
F) Section 132.105;
G) Section 132.115;
H) Section 132.120(a), (b), (c), (e), (g), (h) and (i);
I) Section 132.125(a), (d), (e), (f) and (h);
J) Section 132.130;
K) Section 132.135(a)(1), (a)(2), (a)(4), (b)(1), (b)(2)(A), (b)(2)(D) and (c)(1);
L) Section 132.140 (a) through (c)(1);
M) Section 132.145(a)(2), (a)(3), (a)(4), and (a)(5);
N) Section 132.150(a), (b), (c)(1), (c)(2), (c)(3), (c)(5) through (c)(10), (d)(2), (d)(4) through (d)(8), (e)(2) through (e)(5), (f)(1), (f)(2), (f)(4), (f)(6)(A), (f)(6)(B)(i), (f)(6)(B)(iv), (f)(7), (g), (n), (i), (j), (k), (l) and (m);
O) Section 132.155(a), (b), (c)(2) through (c)(8), (d)(3), (d)(4), (d)(5), (d)(7), (d)(8), (e) (f)(1), (f)(2), (f)(4), (g), (h)(1), (h)(3), (i)(1) and (i)(3);
P) Section 132.160;
Q) Section 132.165; and
R) Sections 132.170(a), (b), (c)(1), (c)(3), (d)(1) and (d)(3).

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2) All requirements not identified in subsection (f)(1) of this Section are deemed Level II requirements with which the applicant shall demonstrate substantial compliance.

3) For Section 132.90, the applicant's site(s) on which the Medicaid community mental health program services are offered shall be reviewed for compliance with applicable federal, State ~~state~~, and local laws and ordinances pertaining to safety and accessibility. For the program specific Subparts, a review of a sample of Medicaid-eligible client records shall be conducted. Such sample shall consist of a minimum of 10 records from the applicant's Medicaid-eligible clients. In the event the 10 records of Medicaid-eligible clients are not available, the sample will consist of all available Medicaid-eligible client records.

4) ~~2)~~ If the on-site review confirms compliance with the requirements of this Part as specified in subsections (f)(1) and (2) of this Section, the Department or DCFS shall issue a letter of certification within 20 working days from the date of completion of the on-site review and send the Medicaid enrollment forms to the applicant. Certification shall be effective the date of the first day of the on-site review.

5) ~~3)~~ If the on-site review does not confirm compliance with the requirements of this Part as specified in subsections (f)(1) and (2) of this Section, the Department or DCFS shall report deficiencies to the applicant in an exit conference. The Department or DCFS shall also issue to the applicant, within 40 working days, a notice of deficiencies enumerating those standards of this Part with which the applicant is not in compliance. The Department or DCFS may certify a provider for participation in the program at the conclusion of the exit conference, if the applicant agrees in writing to correct all Level I deficiencies ~~other identified deficiencies, and is in compliance with Sections 132.90, 132.115, and/or 132.145~~.

A) The certified provider shall submit a plan of correction for the deficiencies within 25 working days after the date of the postmark on the written notice of deficiencies. The plan of correction shall identify the actions that have been, or will be, taken in order to come into compliance with this Part and the time-frames for implementation of the action. Time-frames for implementation of action shall not exceed three months except when deficiencies relate to major structural deficiencies related to physical accessibility of the site(s) for persons with disabilities. In such instances, implementation must occur before the end of the next complete State ~~state~~ fiscal year following the fiscal year during which the deficiency was first documented. Applicants required to correct deficiencies related to physical accessibility may be certified in the interim upon

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effecting measures to reasonably accommodate persons with disabilities.

B) The Department or DCFS shall notify the certified provider within 20 working days after receipt and approval of the plan of correction. Providers whose certification is continued based on the Department's or DCFS' approval of their plan of correction shall be liable for any claims disallowed due to non-compliance with this Part.

~~C) Applicants which are not in compliance with Sections 132.115 and/or 132.145 may be certified when a plan of correction is submitted and approved by the Department or DCFS. Certification will be effective the latest date of implementation for correcting deficiencies noted in Sections 132.115 and/or 132.145.~~

C)~~B)~~ If the plan of correction does not effectively address the action which has been or will be taken to meet the standards for compliance, the Department or DCFS shall notify the certified provider within 20 working days. The certified provider shall resubmit an acceptable plan of correction within 10 days after ~~of~~ the notice or the Department or DCFS shall act to suspend or terminate certification.

D)~~B)~~ If the certified provider fails to respond to the notice of deficiencies within 25 working days after the postmark date on the notice of deficiencies with a plan of correction, the Department or DCFS shall act to suspend or terminate certification.

g) Applications which have attached to them all components identified in Section 132.Appendix A shall be reviewed for compliance with this Part. Applications missing any components will not be accepted as complete and the time-frames of this Section pertaining to applications shall not apply. The applicant shall be notified in writing of missing components within 20 working days after the receipt of the application. The applicant shall submit any missing components within 25 working days after receipt of the written notification. Applications still missing components at this time shall be returned to the applicant.

1) If the application components are in compliance with this Part, the Department or DCFS shall issue a letter of certification within 20 working days after having received the application and send the Medicaid enrollment forms to the provider. The effective date of certification shall be the date the review of the application was completed.

2) If the application includes all of the components, but one or more of the components is not in compliance with this Part, the applicant shall be notified in writing within 20 working days after receipt of the completed application of identified deficiencies. The applicant shall submit corrected documentation

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or an acceptable plan of correction for these deficiencies within 25 working days after the postmark date on the notice of deficiencies. The plan of correction shall identify the actions that have been, or will be, taken in order to come into compliance with this Part and the time-frames for implementation of the action. If the applicant does not respond with a plan of correction within the 25 working days, the application will be considered withdrawn and returned to the applicant.

3) Upon receipt and approval of the corrected documentation or the plan of correction for the identified deficiencies, the Department or DCFS shall notify the applicant and issue a letter of certification and send the Medicaid enrollment forms to the applicant. The effective date of certification shall be the date on which the corrected documentation is approved or the plan of correction is implemented except when deficiencies relate to major structural deficiencies as explained in subsection (g)(4)(D) of this Section ~~below~~.

4) The Department or DCFS shall schedule an on-site review to verify compliance with this Part within six months after initial certification when certification has been issued based solely on ~~upon~~ a review of the application components specified in Section 132.Appendix A.

A) The on-site review shall determine compliance with Level I and Level II requirements of this Part. The applicant shall demonstrate full compliance with the following Level I requirements: ~~The on-site review for verification with this Part shall examine all administrative and service standards that pertain to the specific types of Medicaid community mental health program's services for which the provider has been certified:~~

i) Section 132.80;
ii) Section 132.85;
iii) Section 132.90;
iv) Section 132.95;
v) Section 132.100(a), (c), (d), (e), (h) and (i);
vi) Section 132.105;
vii) Section 132.115;
viii) Section 132.120(a), (b), (c), (e), (g), (h) and (i);
ix) Section 132.125(a), (d), (e), (f) and (h);
x) Section 132.130;
xi) Section 132.135(a)(1), (a)(2), (a)(4), (b)(1), (b)(2)(A), (b)(2)(D) and (c)(1);
xii) Section 132.140;
xiii) Section 132.145(a)(1) through (a)(5);
xiv) Section 132.150(a), (b), (c)(1), (c)(2), (c)(3), (c)(5) through (c)(9), (d)(2), (d)(4) through (d)(8), (e)(2) through (e)(5), (f)(1), (f)(2), (f)(4),

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(f)(6)(A), (f)(6)(B)(i), (f)(6)(B)(iv), (f)(7), (g), (h), (i), (j) and (k);

xv) Section 132.155(a), (b), (c)(2) through (c)(8), (d)(3), (d)(4), (d)(5), (d)(7), (d)(8), (e), (f)(1), (f)(2), (f)(4), (g), (h)(1), (h)(3), (i)(1) and (i)(3);

xvi) Section 132.160;

xvii) Section 132.165; and

xviii) Section 132.170(a), (b), (c)(1), (c)(3), (d)(1) and (d)(3).

B) All requirements not identified in subsection (g)(4)(A) of this Section are deemed Level II requirements with which the applicant shall demonstrate substantial compliance.

C) The provider's site(s) on which Medicaid community mental health program services are offered shall be reviewed for compliance with applicable federal, State ~~state~~, and local laws and ordinances pertaining to safety and accessibility. For the program specific Subparts, a retrospective review of a sample of Medicaid-eligible client records shall be conducted. Such sample shall consist of a minimum of 10 records of the provider's Medicaid-eligible clients. In the event that 10 Medicaid-eligible client records are not available, the sample will consist of all available Medicaid-eligible client records.

D)~~B~~ If the on-site review verifies compliance with the requirements as specified in subsection (g)(4)(A) and (B) of this Section ~~Part~~, the Department or DCFS shall issue a letter of verification within 20 working days from the date of completing the on-site review.

E)~~C~~ If the on-site review does not verify compliance with the requirements of this Part as specified in subsections (g)(4)(A) and (B) of this Section, the Department or DCFS shall report deficiencies to the provider during an exit conference. The Department or DCFS shall also issue, within 20 working days after the on-site review, a notice of deficiencies to the provider enumerating those standards of this Part with which the provider is not in compliance.

F)~~B~~ The provider is required to submit a plan of correction for the deficiencies within 25 working days after the postmark date on the written notice of deficiencies. The plan of correction shall identify the actions that have been, or will be, taken in order to come into compliance with this Part and the time-frames for implementation of the action. Time-frames for implementation of action shall not exceed three months except when deficiencies relate to major structural deficiencies related to physical accessibility of

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the site(s) for persons with disabilities. In such instances, implementation must occur before the end of the next complete State ~~state~~ fiscal year following the fiscal year during which the deficiency was first documented in writing. Providers required to correct deficiencies related to physical accessibility may be certified in the interim upon effecting measures to reasonably accommodate persons with disabilities.

G)~~E~~ If the provider fails to respond to the notice of deficiencies within 25 working days after the postmark date on the notice of deficiencies with an acceptable plan of correction, the process to suspend or terminate shall be initiated.

H)~~F~~ The Department or DCFS shall notify the provider and, within 20 working days after receipt and approval of the plan of correction, shall issue a letter approving continuation of the certification period. Providers certified based on the Department's or DCFS' approval of their plan of correction shall be liable for any claims disallowed due to non-compliance with this Part.

h) Applicants which are fully accredited by the Joint Commission on Accreditation of Healthcare Organizations or the Commission on Accreditation of Rehabilitation Facilities (Standards Manual for Organizations Serving People with Disabilities (Commission on Accreditation of Rehabilitation Facilities, 101 North Wilmot Road, Tucson, Arizona 85711~~,~~ (1992) ~~1989~~)) or the Council on Accreditation of Services for Families and Children, Inc. (Manual for Agency Accreditation ~~Provisions for Accreditation~~) (Council on Accreditation of Services for Families and Children, Inc., 520 - 8th Avenue, Suite 2202B, New York, New York 10018 (1992)~~,~~ ~~1987~~)) or the Accreditation Council on Services for People with Developmental Disabilities (Standards for Services for People with Developmental Disabilities) (Accreditation Council on ~~for~~ Services for People with Developmental Disabilities, 8100 Professional Place, Suite 204, Landover, Maryland 20785 (1990)~~,~~ ~~1989~~)) or for applicants licensed by the Department of Alcoholism and Substance Abuse at 77 Ill. Adm. Code 2058 (Licensure of Alcoholism and Substance Abuse Treatment, Intervention and Research Programs) shall not have the standards specified in Sections 132.65, 132.70 and 132.75 examined during the on-site review, but are required to comply with all of the standards. These applicants shall not have standards in Section 132.90 examined during the on-site review for any site included in the licensure accreditation process but are required to comply with all of these standards.

i) Initial certification shall be for a three-year ~~12-month~~ period. Any changes during the certification period which affect the ability of the provider to deliver services in compliance with the requirements of this Part shall be reported to the Department or DCFS.

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j) When a decision is made to not certify an applicant, the applicant may appeal the decision and request a hearing in accordance with Section 132.55 and Section 10-25 of the Illinois Administrative Procedure Act [5 ILCS 100/10-25] ~~[111.-Rev.-Stat.-1991,-ch.-127,-par.-1010-25]~~.

(Source: Emergency amendment at 19 Ill. Reg. 9200 1, effective JUL 1 1995, for a maximum of 150 days)

Section 132.35 Recertification and reviews
EMERGENCY

a) The Department or DCFS shall conduct a full compliance review at prior to the end of ~~or--about--12--months--from--the--date--of~~ the initial certification. A provider found in compliance with this Part subsequent to initial certification shall be issued a letter of certification within 20 working days, extending for three years from the date on which the prior certification period expired or will expire. Any changes during the certification period which affect the ability of the provider to deliver services in compliance with the requirements of this Part shall be reported to the Department or DCFS.

b) A provider found not in compliance with this Part shall be issued a notice of deficiencies within 40 working days. The provider shall be required to submit a plan of correction for these deficiencies within 25 working days after the postmark date of the notice of deficiencies. Time-frames for implementation of action shall not exceed three months except when deficiencies relate to major structural deficiencies related to physical accessibility of the site(s) for persons with disabilities. In such instances, implementation must occur before the end of the next complete state fiscal year following the fiscal year during which the deficiency was first documented in writing. The Department or DCFS shall issue a letter of certification upon approving the plan of correction. This certification shall extend for three years from the date on which the prior certification period expired or will expire.

c) A provider which fails to submit a plan of correction or submits a plan of correction that is not approved by the Department or DCFS shall be subject to the suspension and termination provisions in Sections 132.45 and 132.50.

d) A focused review shall be conducted to verify the implementation of a plan of correction, ~~,~~ to inspect new services and/or sites for which a provider seeks additional certification, ~~,~~ to investigate complaints, ~~,~~ and/or to review major program changes related to the ability of the provider to deliver services in compliance with this Part. A focused review shall include an on-site survey when visual inspection is necessary.

e) If a recertified provider has a plan of correction on file with the Department or DCFS, a focused review shall be conducted within 12 months.

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f) If the Department or DCFS fails to conduct a compliance review for recertification before the expiration of the current certification period, the certification shall remain valid until completion of such compliance review.

g) Subsequent compliance reviews for recertification will be conducted on or about the expiration date of the current certification period.

h) The Department or DCFS shall be granted access to all provider sites. Client records and all other records shall be made available to the Department or DCFS, on request, during the initial compliance survey, focused review(s) and three-year full compliance survey(s) required by this Section, in accordance with the Confidentiality Act.

(Source: Emergency amendment at 19 Ill. Reg. 9200 1, effective JUL 1 1995, for a maximum of 150 days)

Section 132.40 Certification for additional Medicaid community mental health services and/or new site(s)
EMERGENCY

a) Providers certified for specific Medicaid community mental health services pursuant to this Part that seek certification for the provision of additional Medicaid community mental health services shall submit the following documentation:

1) A detailed program description of the service(s) delineating how the new service(s) is to be provided, when and where the service(s) is to be provided and who will provide the service(s), including staff qualifications; and

2) If the service is to be provided at a site which has not already been certified, a clearance letter from the local fire authority or the Office of the State Fire Marshal and statements from a licensed plumber and licensed electrician stating that the site(s) meets required local codes for their respective professions, and a letter from the provider attesting to compliance with the requirements of physical accessibility standards (see Section 132.90). (A statement from a local building inspector, a licensed architect, a licensed professional engineer or an electrical contractor will meet the plumber and electrician requirements.)

b) Providers certified for specific Medicaid community mental health services pursuant to this Part that seek certification for new site(s) shall comply with the documentation requirements specified in subsection (a)(2) of this Section above.

c) The provider's request to certify additional Medicaid community mental health services or new site(s) shall be submitted to the Department to which the original application was submitted.

d) The documentation listed in subsections ~~subsection~~ (a)(1) and/or

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(a)(2) of this Section above will be reviewed for compliance within 20 working days after receipt.

1) If the review determines that the provider is in compliance with the requirements for certification for an additional Medicaid community mental health service(s) and/or new site(s), the provider shall be notified and a new Medicaid certificate issued with the same expiration date as the current certificate. The certificate shall identify the additional Medicaid community mental health service(s) or new sites certified. The Department or DCFS shall conduct a focused review within 18 months or at the next scheduled review, whichever comes first, to verify compliance with the requirements for new services only. The Department or DCFS shall conduct a focused review within 12 months after the Department's or DCFS' approval of the new site(s), whichever comes first, to verify compliance with the requirements for new site(s) only or both new site(s) and new services.
2) If the review determines that the provider is not in compliance with the requirements for certification for additional service(s) or new site(s), the provider shall be notified of the deficiencies in writing within 20 working days after receipt of the documentation as identified in subsections subsection (a)(1) and/or (a)(2) of this Section above. The provider shall submit an acceptable plan of correction for these deficiencies within 25 working days after the postmark date on the notice of deficiencies.
   A) Upon the Department's or DCFS' receipt and approval of a plan of correction, the provider shall be notified and a new Medicaid certificate issued with the same expiration date as the current certificate. The certificate shall identify the additional Medicaid community mental health service(s) and/or new site(s).
   B) The Department or DCFS shall conduct a focused review to verify implementation of the plan of correction for new site(s) at the next scheduled review or within six months after the Department's or DCFS' approval of the new sites, whichever comes first. The Department or DCFS shall conduct a focused review to verify the implementation of the plan of correction for new services at the next scheduled review or within 18 months of the Department's or DCFS' approval of the new services, whichever comes first.

(Source: Emergency amendment at 19 Ill. Reg. 92001, effective JUL 1 1995, for a maximum of 150 days)

Section 132.50 Termination of certification
EMERGENCY

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a) A provider shall be issued a written notice terminating certification during a certification period for:
   1) Meeting any of the grounds for termination set forth in 89 Ill. Adm. Code 140.16; or
   2) Discontinuing delivery of all Medicaid community mental health services for which the provider has been certified; or
   3) Being convicted of defrauding the medical assistance program under Article VIIIA of the Illinois Public Aid Code [305 ILCS 5/Art. VIIIA] ~~[111.-Rev.-Stat.-1991,-ch.-23,-par.-8A-1-et-seq.]~~; or
   4) Failing to submit and/or implement a plan of correction for cited deficiencies.
b) In the event that all the contracts contract between the provider and the Department, DCFS or DOC ~~for-provision-of-services-under-this-Part, or-the-provider-and-DCFS~~ for the provision of services under this Part, ~~is~~ are terminated, certification of the provider shall likewise be terminated and the Department of Public Aid will be advised of this by the Department, or DCFS or DOC. The provider is solely liable for the cost of services provided after a the contract has been terminated.

(Source: Emergency amendment at 19 Ill. Reg. 92001, effective JUL 1 1995, for a maximum of 150 days)

Section 132.60 Rate setting
EMERGENCY

a) The Department and/or DCFS and DOC will compute rates for services which are reimbursed under the Medicaid community mental health services program. The rates will be computed for each State ~~state~~ fiscal year and will be effective 30 days after approval is received from the Department of Public Aid. The rates shall be in effect for one State ~~state~~ fiscal year.
b) Reimbursement rates will be the product of hourly payment rates and services units designated as fractions or multiples of service hours as indicated in Section 132.Appendix B.
c) Hourly payment rates for each Medicaid community mental health service are computed from the following factors:
   1) Hourly wages and salaries for direct care staff (QMHP; MHP; and RSA) who are authorized to provide billable services;
   2) Hourly paid benefits for direct care staff;
   3) Hourly Medicaid-reimbursable community provider operating expenses other than direct care staff salaries, wages, and paid benefits;
   4) Time spent in delivering services which may be billed; and
   5) Client staff ratios.
d) Rehabilitative services described in Subparts E and F of this Part may

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be integrated into a comprehensive array and billed on a per diem basis and defined on an individual specialized substitute care provider basis by the Department, DCFS or DOC using the factors enumerated in subsection (c) of this Section.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

SUBPART B: PROVIDER ADMINISTRATIVE REQUIREMENTS

Section 132.65 Organizational structure
EMERGENCY

a) The administrative organization shall promote effective operation of the various programs in a manner consistent with all applicable State ~~state~~ laws, regulations, and adopted procedures.
b) A provider must present written documentation of the existence of operating policies and procedures which detail and explain the operation of programs and the delivery of services, including a description of staff decision-making authority.
c) A provider must present proof of insurance against professional and physical liabilities.
~~d) A provider must present proof of written provisions for orientation and on-going communication with the governing board.~~
d)~~e)~~ A provider shall ensure the availability of staff and/or consultants capable of using language(s) or method(s) of communication used by Medicaid-eligible clients served by the provider.

Section 132.70 Personnel and administrative recordkeeping
EMERGENCY

a) The provider shall have a comprehensive set of personnel policies and procedures that include but are not limited to:
1) Job descriptions and qualifications, including but not limited to documentation of current licensure, and certification shall be maintained for all staff, including physicians who are employed either directly or by contract by the provider or by an agency subcontracting with the provider or program.
2) Providers shall assure in writing that staff providing or supervising services pursuant to this Part meet the staff qualifications defined in this Part, and that their individual performance is evaluated no less frequently than once every twelve months.
3) Providers shall have documentation that they have written personnel policies concerning the hiring, evaluating, and disciplining (including terminating) of staff. ~~including job descriptions for volunteers who will be providing Medicaid~~

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~~community mental health services.~~
b) The provider shall document that it provides directly or indirectly for development and continuing education activities of its employees which broaden their existing knowledge in the field of mental health and related areas. ~~These activities shall be related to program goals and may include support of staff attendance at conferences, university courses, visits to other agencies, use of consultants, educational presentations within the agency, assigned reading, and so forth.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.80 Fiscal and statistical
EMERGENCY

a) Providers shall present written assurances that they will submit billings in the manner specified by the Department, ~~or~~ DCFS or DOC and that they have a formal accrual accounting system in accordance with Generally Accepted Accounting Principles (GAAP) (Harcourt, Brace, Jovanovich, Publisher, (1989)).
b) The provider shall submit to the Department, ~~or~~ DCFS or DOC annually an independent audit report 120 days after the end of the provider's fiscal year. These required audit reports shall be prepared in accordance with the current American Institute of Certified Public Accountants generally accepted auditing standards appropriate for the provider and in accordance with relevant federal single audit requirements (e.g., U.S. Office of Management and Budget Circular A-128, (April 12, 1985) or Circular A-133 (Single Audit Information Service, Thompson Publishing Group, 1725 K. Street N.W., Suite 200, Washington, DC 20006)). The report shall contain all applicable statements including the basic financial statement presenting the financial position of the organization, the results of its operation, and changes in fund balances or retained earnings. The report shall contain the certified public accountant's opinion regarding the financial statements, taken as a whole, or an assertion to the effect that an opinion cannot be expressed. If the certified public accountant expresses a qualified opinion, a disclaimer of opinion, or an adverse opinion, the reason shall be stated. (A report will not be accepted if the certified public accountant's opinion is qualified or denied because the provider placed an unnecessary limitation on the scope of the audit.)
c) The provider shall also submit within 180 days after the end of the State ~~state~~ fiscal year the State of Illinois Interagency Statistical and Financial Report (ISFR) to the Department, ~~or~~ DCFS or DOC unless ~~either~~ the Department, ~~or~~ DCFS or DOC extends the time-frame for a provider having a different fiscal year than the State of Illinois.
d) The provider shall also comply with the requirements governing audits,

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false reporting and other fraudulent activities~~,~~ pursuant to 89 Ill. Adm. Code 140.30 and 140.35 for services provided to Medicaid-eligible clients. The provider will be held responsible for any claims disallowed resulting from non-compliance with this Part.

e) Each provider shall contract with the Department, DOC and/or DCFS for the provision of Medicaid community mental health services.

f) Billings for services rendered under the Medicaid community mental health program must be submitted by a provider to the Department, ~~or~~ DCFS or DOC in the manner required by each department. The billings shall include the following:

1) A claim for reimbursement for each covered item of service provided to a client.

2) A claim for reimbursement shall be submitted during the State fiscal year that the service was delivered but in no case shall a claim be submitted later than one year from the date on which the service was provided. ~~A--claim--for--reimbursement--shall--be submitted--during-the-state-fiscal-year-the-service-was-delivered within-six-months-after-the-date-that-the-service--was--delivered but-in-no-case-shall-a-claim-be-submitted-later-than-60-days-from the--end-of-the-state-fiscal-year-during-which-the-service(s)-was provided.~~

3) The provider shall keep and make available such hard copy ~~hardcopy~~ records and source documents associated with each submitted reimbursement claim as necessary to disclose fully the nature and extent of service billings included therein.

4) Each reimbursement claim submitted to the Department, ~~or~~ DCFS or DOC shall be accompanied by a transmittal document providing a description of the claim for reimbursement (submitting provider, number of claim transactions, etc.) and a signed certification for each such batch.

g) The provider shall report to the Department, ~~or~~ DCFS or DOC information regarding the client's private insurance coverage or third party liability coverage on the claim transaction. In addition, adjustments to prior approved claims must be submitted on the claim transaction. The provider shall bill all other third parties prior to billing the Department, ~~or~~ DCFS or DOC for services and shall maintain a record of all such billings and payments received.

h) Services such as individual, group, and family therapy, psychotropic medication, monitoring and self-administration training, crisis intervention and case management shall be reimbursed at an hourly rate per client payable to the nearest quarter hour.

i) Day treatment services such as intensive stabilization and extended treatment and rehabilitation shall be reimbursed at an hourly rate per client payable to the nearest hour. Billable services are limited to eight ~~five~~ hours per day up to seven days per week.

j) Psychiatric services provided by physicians are reimbursed directly by the Department of Public Aid.

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~~k) Community-based--rehabilitation--services--shall--be--reimbursed--as-a consolidated-set-of-comprehensive-services-payable-at-a-daily-rate.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.85 Recordkeeping
EMERGENCY

a) The provider shall maintain in the regular course of business the following:

1) Any and all business records which provide written documentation of financial arrangements between the provider and other providers in the program and other entities, or which are necessary to determine compliance with this Part, including but not limited to:

A) Business ledgers of all transactions;

B) Records of all payments received, including cash;

C) Records of all payments made, including cash;

D) Corporate papers, including stock record books and minute books;

E) Records of all arrangements and payments related in any way to the leasing of real estate or personal property, including any equipment;

F) Records of all accounts receivable and payable; and

G) Hard copy and source documents relating to the creation of the service billing files.

2) Any and all client records which document the quality, type and quantity of services, including actual time and amount of time, provided by the provider for which payment is claimed under this Part. Such records shall also include written documentation of compliance with all Sections of this Part pertinent to service provision. (See also Section 132.100(h).)

b) The business and client records required to be maintained must be retained for a period of not less than five years from the date of service, except that if an audit is initiated within the required retention period the records must be retained until the audit is completed and every exception resolved. This provision is not to be construed as a statute of limitations.

c) All clinical and financial records required to be maintained shall be readily available for inspection, audit and copying (including photocopying) by Department, ~~or~~ DCFS or DOC personnel and Department of Public Aid and U.S. Health Care Financing Administration compliance personnel during normal business hours at the provider's facility. Department, ~~or~~ DCFS or DOC personnel shall make all attempts to examine such records without interfering with the professional activities of the provider.

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d) The compilation and storage of and accessibility to client records shall be governed by written policies and procedures, in accordance with the Confidentiality Act, which shall specify that:
   1) Access to client records shall be limited to persons authorized by the Confidentiality Act and to the client;
   2) Records of DOC youths shall be released to DOC pursuant to Section 9 of the Confidentiality Act;
   3) ~~2)~~ All entries in the client record shall be current, legible, dated and signed by the author;
   4) ~~3)~~ Facilities for the handling, processing and storage of client records shall be secured from theft, loss, or fire and access limited to personnel authorized by the provider; and
   5) ~~4)~~ Client data maintained on magnetic tapes, computer files, or other automated information systems shall be secure from theft, loss, or fire.

e) Client, clinical, business and financial records which are required to be maintained may be transferred to magnetic tape, computer files, microfilm, microfiche, optical scanning or other automated manner no sooner than five years after services to an individual are terminated, except that if an audit was initiated within the required retention period, the records must be retained until the audit is completed and every exception resolved.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

SUBPART C: UTILIZATION REVIEW AND CONTINUITY OF SERVICES

Section 132.95 Utilization review
EMERGENCY

There shall be a written utilization review (UR) plan and ongoing activities designed to assess the appropriateness of the admission to Medicaid community mental health services, intensity/level of services, and continued services. Such services may be subject to utilization management parameters established by the respective departments. The written UR plan shall address:

a) The methods and procedures for performing and recording individual case reviews;
b) The authority and functions of the individual case review designated unit. The designated unit may be:
   1) A committee representative of the staff providing the services which may include QMHPs, MHPs, RSAs, and chaired by a QMHP, or
   2) A QMHP;
c) Procedures describing the method for selecting cases for quarterly case review and the procedures for reviewing 10 percent of the clients served under this Part annually;
d) Procedures to ensure that the review includes and summarizes the

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client's progress over the previous 90 days;
e) Policies and procedures for documenting and reporting individual case reviews findings, determinations and recommendations to the supervising QMHP and, if applicable, the billing department;
f) Procedures for appeal by clients and staff affected by the UR decisions with which they disagree;
g) Provisions for ensuring confidentiality of individual case reviews, determinations, results~~,~~ and/or recommendations in accordance with the Confidentiality Act; and
h) Procedures for following up on case review recommendations~~.~~ ~~and~~
~~i) Procedures to ensure that the final written approval and authorization for continuing treatment beyond established service utilization parameters is provided only by the signature of the reviewing QMHP.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.100 Clinical records
EMERGENCY

The client's clinical record shall contain, but is not limited to~~:~~ the following:

a) Identifying information including name, Medicaid client identification number, address and telephone number, sex, date of birth, primary ~~language or~~ method of communication, if other than English, ~~marital status,~~ emergency contact or guardian, date of initial contact and initiation of mental health services, third party insurance coverage, and as appropriate may include sex, marital status and source of referral;
b) Documentation of consent for mental health services;
c) Assessment and reassessment reports;
d) A current ITP or rehabilitative services plan, progress notes and reviews;
e) Documentation concerning the prescription and administration of psychotropic medication;
f) Documentation of missed appointments;
g) Documentation of client movement (referral/transfer) during any active service period to or from the provider's programs or to or from other providers;
h) Documentation to support ~~each~~ services ~~service~~ rendered for which reimbursement is claimed which includes:
   1) The specific service(s) rendered;
   2) The date the service(s) were rendered;
   3) Who rendered the service(s);
   4) The setting in which the service(s) were rendered;
   5) ~~The~~ Client progress relation ~~relationship of~~ to the service(s) in ~~to~~ the ITP or rehabilitative services plan ~~goals and client~~

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~~progress.~~

i) Comprehensive rehabilitative services and comprehensive mental health services shall be documented on a daily basis by completion of a daily treatment summary which identifies the services(s) received each day and describes a child's general level of functioning.

~~j)~~ i) Periodic reviews describing the client's overall progress;

~~j) Justification for extension of service durations beyond the maximum units as set forth in this Part;~~

~~k) A record of grievances filed by the client, including the nature of the complaint, date of complaint, and a statement regarding the resolution of the complaint;~~

k) ~~l)~~ j) A record of the client's major accidents or incidents that occur at the site with regard to a specific client, whether self-reported or observed, and resulting in an adverse change in the client's physical and/or mental functioning; and

l) ~~m)~~ k) Discharge summary documenting the outcome of treatment and, as necessary, the linkages for continued services.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.105 Continuity and coordination of services
EMERGENCY

The provider shall ensure the continuity and coordination of services as provided in the client's ITP. The provider shall:

a) Communicate relevant treatment and service information prior to or at the time that the client is transferred to a receiving program of the provider, or is terminated from service and referred to a program operated by another service provider, if the client and/or parent or guardian provides written authorization; and

b) Document in the client's record the referrals to other human service providers and follow-up efforts to link the client to services~~, and~~.

~~c) Develop written agreements with other relevant human service providers in the service area, as necessary.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.110 Availability of services Repealed
EMERGENCY

~~a) Medicaid community mental health services shall be available and accessible to persons in need of such services as assessed and prescribed or recommended.~~

~~b) Services shall be flexibly arranged to meet the needs of eligible clients, including arrangements for services during evenings, weekends, or holidays.~~

~~c) The provider shall have written policies stating how services are designed to minimize temporal, economic, procedural, cultural, or linguistic barriers to Medicaid community mental health service delivery.~~

~~d) To assure access to Medicaid community mental health services for the client as well as for the accompanying parent, guardian, or caregiver, transportation may be provided. To receive transportation reimbursement for covered Medicaid services, providers must enroll with the Department of Public Aid as "providers of transportation services" and directly bill the Department of Public Aid.~~

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(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

SUBPART D: CLINIC SERVICES

Section 132.115 Provisions
EMERGENCY

a) Providers which are certified and enrolled to provide Medicaid community mental health services under the Medicaid clinic services option shall comply with the following:

1) A provider contracting with the Department, ~~or~~ DCFS or DOC must directly provide mental health assessment, ITP development, review, modification and psychiatric treatment as specified in this Subpart.

2) Clinic services shall be provided to clients with a diagnosis of mental illness as defined in Section 132.25 and whose level of role functioning is impaired ~~as indicated by a GAF or CGAS score of 70 or below~~.

3) Following an assessment, clinic services shall be prescribed by and provided under the direction of a physician.

4) Clinic services shall be delivered by a physician or by QMHP(s) and MHP(s) under physician direction pursuant to subsection (b) of this Section ~~below~~.

b) The provider shall ensure that physician direction of clinic services shall include the assumption of professional responsibility by the physician for the formulation of, approval of, or involvement of the physician in each client's ITP within 45 days from the date of completing the mental health assessment. The physician must document his or her direction by signing and dating his or her approval on the ITP or by signing a clinical note indicating concurrence with the ITP in the client's clinical record. Such review and approval of the ITP shall occur whenever there is a modification in the ITP or at least once every six months for all clients, whichever comes first. If the physician is not a psychiatrist, the physician must have access to a

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psychiatrist. If the physician is directing services for children, the physician must have one year of experience in the treatment of children and adolescents. To fulfill the requirements of physician direction, the physician must see the client at least once.

c) All Medicaid community mental health services delivered pursuant to this Section shall be provided at a certified clinic site except as follows:
   1) Clinic services may be provided to homeless persons in any setting(s) where the homeless individual to be served is located.
   2) Crisis assessment and crisis intervention services may be initiated at non-clinic sites for a Medicaid-eligible client when such services are not provided in the client's residence, are urgently needed, and when it is apparent that follow-up psychiatric treatment or other clinic services may be deemed necessary.

d) The Department, ~~or~~ DCFS or DOC may grant a waiver of subsection (a)(1) of this Section ~~above~~, if it deems that such waiver increases the availability of clinic services to Medicaid-eligible clients.

e) Enrolled providers must obtain certification for all mental health clinic services within 12 months after the provider's initial certification unless waived by the Department or DCFS. The provider shall enroll for certification of remaining services, using forms prescribed by the Department or DCFS. Services shall be certified based on compliance with the requirements of this Subpart. Such compliance will be determined through a retrospective review of Medicaid-eligible client records, utilization review documents and the inspection of the provider's site(s).

~~f) In addition to the mental health interventions, transportation may be provided to or arranged for clients as part of specific service categories listed in this Section, as necessary, for the receipt of mental health services. This may be provided following the development of an ITP for the duration of the service period or immediately in a crisis situation for the duration of the crisis service period. Persons other than QMHP's and MHP's may transport the client. Transportation for the accompanying parent, guardian, or caregiver of a minor client may also be provided as necessary. The Department or DCFS will consider transportation necessary when the client is otherwise unable to obtain services, to assure provision of services, to assure the safety and well-being of the client (e.g., transfer of a client in crisis to a hospital), when access to services is limited by unavailability of alternative transportation or economic distress (i.e., the client lacks funds for transportation).~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.120 Service needs evaluation

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EMERGENCY

a) The provider shall insure that an individual requesting Medicaid community mental health services, or any individual who has been referred by order of a court, or any individual referred pursuant to a recommendation resulting from an early and periodic screening, diagnosis and ~~the~~ treatment (EPSDT) examination shall receive an assessment of his or her need for mental health services. The assessment process may include a mental health assessment, a psychological assessment, and/or a psychiatric evaluation. The assessment process shall result in a determination of the need for mental health services and the type of Medicaid community mental health services required and shall ensure the appropriateness of admission for inpatient psychiatric hospitalization ~~by examining and exhausting all other less restrictive alternatives available to meet the client's needs~~.

b) The service needs evaluation shall include a face-to-face or personal contact interview with the client and/or collaterals, as indicated.

~~c) The service needs evaluation shall be initiated within five working days after the request or referral, or immediately in a crisis situation as specified in Section 132.135(b).~~

c)~~d)~~ A client shall receive a mental health assessment prior to the development and implementation of the ITP. If the client is determined to be in need of immediate crisis intervention services, a mental health assessment shall not be required prior to the initiation of crisis services.

d)~~e)~~ Prior to the initiation of ~~the~~ mental health services ~~assessment~~, the provider shall obtain written consent from the client and/or the client's guardian, if applicable, unless the client is determined to be in need of crisis intervention services, or if the assessment is court-ordered for the client. Individuals who participate in treatment services are deemed to have consented; oral consent shall also be documented in the clinical record.

e)~~f)~~ The mental health assessment shall include, at a minimum, the assessment and written report of the following:
   1) Identifying information (see Section 132.100(a));
   2) Extent, nature, and severity of presenting problem(s);
   3) Personal and family history including the history of mental illness in the family;
   4) Cognitive functioning (attention, memory, information, attitudes), perceptual disturbances, thought content, speech, and affect; and an estimation of the ability and willingness to participate in treatment;
   5) History of mental health treatment;
   6) Present level of functioning including social adjustment and daily living skills;
   7) Legal status (guardianship, representative payee, trust

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beneficiary, pending court order);

8) Level of education and/or specialized training, if applicable for adults;

9) Previous employment, acquired vocational skills, and activities/interests, if applicable;

10) History of and/or current alcohol or chemical dependency;

11) Previous and current psychotropic medications, last physical examination, and any known medical problems; and

12) Resource availability (income entitlements, health care benefits, subsidized housing, social services, etc.).

f)~~g)~~ During the mental health assessment, the client and the client's guardian, if applicable, shall be apprised of the client's rights in accordance with Chapter 2 of the Code.

g)~~h)~~ Responsibility for the completed mental health assessment shall be conducted by a QMHP who has had, at a minimum, one face-to-face contact with the client, his or her family, and the client's guardian, if applicable, at the client's request or by agreement of the client, during which the family was given the opportunity to provide pertinent information or support. Other mental health professionals who are under the direct supervision of a QMHP may participate in the mental health assessment pursuant to Section 132.115. The mental health assessment shall not require physician prescription and direction.

h)~~i)~~ The results of a mental health assessment shall be reviewed by the directing physician and documented by a signature on the ITP. The directing physician shall make a determination if a psychiatric evaluation and/or psychological assessment is necessary in order to develop the client's ITP. The psychiatric evaluation, if applicable, shall be conducted by the physician on a face-to-face basis with the client. The psychological assessment, if applicable, shall be conducted by a licensed psychologist on a face-to-face basis with the client. If the mental health assessment is not conclusive and the client's diagnosis is deferred or a rule-out diagnosis is given, the provider has 45 days to determine the client's mental health needs and treatment. In instances when the diagnosis still cannot be determined or a rule-out diagnosis is given, the client's record must contain documentation as to what evaluations will be performed in order to provide a definitive diagnosis in the ITP.

i)~~j)~~ The assessment report(s), including the mental health assessment and the psychiatric evaluation and psychological assessment, if applicable, shall be used in the development of the client's ITP.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.125 Treatment plan development and modification
EMERGENCY

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a) The individual treatment plan (ITP) shall be developed with the participation of the client and the client's guardian, if applicable and ~~.--The plan~~ shall be signed by ~~the client if 12 years of age or older or by the parent or legal guardian of a minor or by the legally appointed guardian of an adult who has been adjudicated as legally disabled,~~ the QMHP and the physician who is directing the formulation of the ITP~~,.--A copy of the signed plan shall be given to the client, if not clinically contraindicated,--and--the client's parent or guardian, if applicable,~~ and shall be incorporated in the client's clinical record.

b) The plan shall be signed by the client if the client is 12 years of age or older or by the parent or legal guardian of a minor or by the legally appointed guardian of an adult who has been adjudicated as legally disabled. A copy of the signed plan shall be given to the client, if not clinically contraindicated, and the client's parent or guardian, if applicable.

c)~~b)~~ The provider shall explain to the client and to the client's guardian, if applicable, the process for the development and the contents of the ITP.

d)~~c)~~ The ITP shall be developed within 45 days after the documented date of completing the mental health assessment. The ITP shall include a definitive diagnosis that has been determined using the DSM-IV ~~DSM-III-R~~ or the ICD-9-CM.

~~d) The ITP shall state the overall goals of treatment and shall--indicate the specific mental health services to be provided, in accordance with the following:~~

~~1) Describe--the--mental--health--service--needs--of--the--client in relationship to the mental health service(s) to be provided;~~

~~2) Contain--a--statement--relating--to--the--goals,--objectives--and expected outcome(s) for the--specific--mental--health--service(s) provided--to--the--client;---The statement shall specify for each service:~~

~~A) Long-term goals and specific intermediate objectives--stated sequentially;~~

~~B) Planned intervention related to accomplishing the objectives including the frequency, quantity and duration of services;~~

~~C) Date(s)--on--which--each--service--objective was set and the expected length of service; and~~

~~D) Identification of the professional staff with responsibility for managing each service objective.~~

e) The ITP shall state the overall goals of treatment, indicate the specific mental health services to be provided and describe the mental health services needs of the client in relation to the mental health services to be provided including goals, objectives, expected outcome, date(s) on which each service objective was set and the anticipated time frame for achievement of each objective, frequency and responsible staff.

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f)~~e)~~ The ITP shall be under the direction of a physician, pursuant to Section 132.115. The QMHP shall participate in the development of the ITP under physician direction~~,~~ pursuant to Section 132.115. Other mental health professionals who are under the direct supervision of the QMHP, pursuant to Section 132.120, may also participate in the development of the ITP.

g)~~f)~~ Clients who receive more than one type of mental health service shall have an ITP developed, reviewed~~,~~ and modified, as necessary, by the team of individuals responsible for providing the respective services.

h)~~g)~~ The ITP shall be reviewed and modified, as necessary, but semi-annually at a minimum, for all clients and by the directing physician and the QMHP involved in the formulation, implementation~~,~~ and supervision of the ITP.

i)~~h)~~ If multiple Medicaid certified providers are providing mental health services to the same client under this Section, one master ITP shall be developed by the team of individuals responsible for providing the respective services.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.130 Psychiatric treatment
EMERGENCY

a) Service requirements
Psychiatric treatment services shall be provided to clients who require interpersonal therapy and/or psychotropic medication to promote growth in role functioning or to maintain role functioning in order to assist the client in functioning in the community.

b) Psychiatric treatment - psychotropic medication requirements include:
1) Psychotropic medication shall be prescribed by a physician licensed in accordance with the Medical Practice Act of 1987 who has conducted a psychiatric evaluation of the client, or in an emergency, is aware of the client's psychotropic medication history and the client's current level of functioning.
2) Psychotropic medication shall be administered by personnel licensed to administer medication pursuant to the ~~The~~ Illinois Nursing Act of 1987 and the Medical Practice Act of 1987.
3) Psychotropic medication shall be reviewed every 90 days, at a minimum, by the physician.
4) Psychotropic medication shall be monitored and training shall be provided to clients in the following areas, if prescribed by the treating physician:
A) Psychiatric illness;
B) Psychotropic medications, effects, side-effects, and adverse reactions;
C) Self-administration of medications;

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D) Storage and safeguarding of medication; and
E) Communicating with mental health professionals regarding medication issues.
5) Notation shall be made in the client's clinical record regarding psychotropic medication and other types of medication. Notations shall include:
A) All medication being taken by the client;
B) Current psychotropic medication: name, dosage, frequency, and method of administration;
C) Activities implemented to address any problem(s) resulting from psychotropic medication administration; and
D) A statement indicating that the client has been informed of the purpose of the psychotropic medication ordered and the side effects of the medication.
6) Psychotropic and other medication shall be stored under proper conditions of sanitation, temperature, light, moisture, ventilation, segregation, security and in accordance with 77 Ill. Adm. Code 300.1640.
7) Psychotropic medication monitoring and training shall be provided by the physician, by a QMHP under the direction of a physician~~,~~ or by a MHP~~,~~ under the supervision of a QMHP pursuant to Section 132.115. The physician must designate, in writing, the professionals who provide medication monitoring and training services, as medication monitoring and training staff.

c) Psychiatric treatment - primary therapy shall include:
1) Individual therapy;
2) Group therapy; and
3) Family therapy (includes couples' therapy and marital counseling).

d) The services shall be provided:
1) Following a mental health assessment consistent with the client's ITP;
2) On a face-to-face or personal contact basis with adult clients, and their families, at the client's request or agreement, or with groups of clients~~,~~ or with a child or adolescent client and/or his or her family, or on behalf of a child or adult with the child's or adult's family based on the ITP; and
3) In the provider's clinic.

e) Service eligibility and termination criteria
1) Service eligibility criteria shall include a determination that the client's role functioning is impaired~~,--is-70-or--below,--when not--in--crisis,--as--assessed--using-the-GAF-or-CGAS-Scales-(see Section-132.135(b)(1))~~.
2) Service termination criteria shall include:
A) Determination that the client's level of role functioning and the personal distress level has improved and can be ~~has been~~ maintained consistent with the ITP; or

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B) Determination that the client's level of role functioning has significantly deteriorated to a degree where referral or a transfer to a more intensive mental health treatment is indicated; or

C) Documentation in the client's clinical record that the client terminated participation in the program.

f) Staffing
Psychiatric treatment services shall be delivered by or prescribed by a physician and delivered by a QMHP, or for psychotropic medication monitoring and training, an MHP under the supervision of a QMHP~~,~~ pursuant to Section 132.115.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.135 Crisis intervention
EMERGENCY

a) Service requirements
1) Crisis intervention services shall be provided to clients who are experiencing a psychiatric crisis and a high level of personal distress to provide brief and immediate intensive treatment to reduce symptomatology, stabilize and restore the client to a previous level of role functioning and to assist the client in functioning in the community.
2) Crisis intervention shall include:
A) Immediate preliminary assessment;
B) Therapy (brief and immediate); and
C) Referral, linkage and consultation with other appropriate mental health services.
3) Crisis intervention services shall provide immediate crisis assessment to ensure the appropriateness of admission for psychiatric hospitalization ~~by examining and exhausting all other less restrictive alternatives available to meet the client's needs~~.
4) Services shall be provided on a face-to-face or personal contact basis, following, at a minimum, an assessment ~~(see Section 132.129(f))~~ of the need for Medicaid community mental health services. If an ITP does not already exist, a ~~A~~ preliminary ITP shall be developed and shall become a part of ~~incorporated into~~ the ITP~~,~~ if additional ~~continuing~~ Medicaid community mental health services are to be provided.
5) Access, referral, and linkage with continuing mental health services shall be provided for clients in crisis, including residential crisis care, respite care, and/or inpatient psychiatric treatment, as determined by a QMHP under the supervision of a physician or prescribed by a physician.

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b) Service eligibility and termination criteria
1) Crisis intervention services shall be available to persons presenting an apparent need for immediate mental health services. Service eligibility criteria shall include:
A) Determination of deterioration in one or more areas of role functioning within the past seven days which requires immediate resolution and stabilization to prevent further deterioration in role functioning; or
B) Determination that acute symptomatology requires immediate stabilization to prevent substantial deterioration in role functioning and to relieve personal distress.
2) Service termination criteria assessed by a QMHP under the supervision of a physician shall include:
A) Determination that the crisis has been resolved and the client shows positive change toward restoration to a previous level of role functioning and/or decrease in personal distress and is not in need of further crisis mental health services; or
B) Determination that the client has been stabilized but requires a transfer or referral to less intensive mental health treatment for continuing mental health services; or
C) Determination that the client has not been stabilized and the client requires a transfer or referral to more intensive mental health treatment for continuing mental health services; or
D) Documentation in the client's clinical record that the client terminated participation in the program.

c) Staffing
1) Crisis intervention services shall be delivered by or prescribed by a physician and delivered by a QMHP pursuant to Section 132.115. Physician prescription, however, shall not be required prior to service initiation but shall be secured within 45 ~~five working~~ days after ~~of~~ service provision. The QMHP may also be assisted by other mental health professionals who are under the direct supervision of the QMHP pursuant to Section 132.115.
2) Crisis intervention staff shall be selected for experience and acuity in mental health assessment, crisis intervention techniques, and effective clinical decision-making under emergency conditions.
3) The number of crisis intervention staff shall be adequate to provide immediate crisis assessment, brief therapy~~,~~ and referral and linkage on a face-to-face basis during the regular hours of service operation and, at a minimum, provide crisis assessment and referral to mental health services, as necessary, after the regular hours of operation. Written agreements shall be established for referral of clients to crisis intervention services after regular operating hours, as necessary.

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(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.140 Day treatment
EMERGENCY

a) Service requirements
   1) Day treatment shall include intensive stabilization and extended treatment and rehabilitation services provided on an integrated, comprehensive and complimentary schedule of psychiatric and psychosocial treatment modalities addressing at least three areas of functioning:
      A) Psychological;
      B) Interpersonal; and
      C) Primary role.
   2) Day treatment for individuals under the age of 21 years shall not include services that are educational in nature; for example, services identified in the individual education plan (IEP).
   3) Intensive stabilization and extended treatment and rehabilitation services shall include a range of therapeutic interventions provided in a therapeutic milieu following a mental health assessment, consistent with the client's ITP.
   4) Intensive stabilization services shall be available for a minimum of four hours a day, five days per week with a schedule of interventions focused on resolution or stabilization of short-term problems or crisis situations which, if not treated, would require inpatient psychiatric hospitalization including the provision of the following:
      A) Therapy (individual, group and family); or ~~and~~
      B) Occupational therapy (optional).
   5) Extended treatment and rehabilitation services shall be available for a minimum of four hours a day, five days a week with a schedule of interventions focused on the development, acquisition, enhancement and/or maintenance of interpersonal skills and living skills to restore client functioning and to facilitate re-entry into the family and community, including the provision of the following:
      A) Therapy (individual, group and family);
      B) Occupational therapy (optional); and
      C) Adaptive functioning, stabilization and developmental interventions.

b) Service eligibility and termination criteria
   1) Specific service eligibility criteria for intensive stabilization shall include determination that the client:
      A) Exhibits signs, symptoms and associated features of mental illness and has experienced deterioration in role functioning in one or more primary areas, which requires

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immediate intervention to prevent further deterioration and the need for 24-hour supervised treatment, e.g., hospitalization; or
      B) Requires further continuation of treatment following hospitalization because symptoms persist and role functioning has not improved.
   2) Specific service eligibility criteria for extended treatment and rehabilitation shall include a determination that:
      A) The client's role functioning is impaired; and ~~70--or--below as-assessed-using-the-GAF-or-CGAS-Scales;~~
      B) The client lacks independent adaptive functioning, and/or is unable to maintain community adjustment, without structured intervention.;
      ~~C) The-client-has-a-sufficient-level--of--stress--tolerance--to allow--planned--attendance-and-increasing-participation-in-a structured-extended-rehabilitation-program.~~
   3) Termination criteria
      A) General termination criteria for intensive stabilization shall include:
         i) Determination that the client's level of acute distress/crisis has been resolved and previous role functioning restored consistent with ITP objectives; or
         ii) Documentation in the client's clinical record that the client terminated participation in the program.
      B) General termination criteria for extended treatment and rehabilitation shall include:
         i) Determination that the client's level of role functioning has improved, and the rehabilitation services objectives have been obtained and maintained consistent with the ITP; or
         ii) Determination that the client's level of role functioning, ~~as-assessed-using-the-GAF-or-CGAS-Scales,~~ has not improved or has deteriorated and the extended rehabilitation services objectives have not been obtained consistent with the ITP; or
         iii) Documentation in the client's clinical record that the client terminated participation in the program.

c) Staffing
   1) Intensive stabilization services shall be prescribed by a physician and delivered by a QMHP.; ~~--and~~ Extended ~~extended~~ treatment and rehabilitation services shall be prescribed by a physician and delivered by a QMHP, or by an MHP under the direct supervision of the QMHP, pursuant to Section 132.115.
   2) Intensive stabilization services shall have a minimum of one full-time equivalent (FTE) QMHP to every six adult clients (1:6) or 1:3 for child and adolescent clients, based on average daily

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attendance calculated annually.

3) Extended treatment and rehabilitation services shall have a minimum of one FTE MHP to 10 adult clients (1:10) or 1:6 to child and adolescent clients~~,~~ based on average daily attendance calculated annually.

(Source: Emergency amendment at 19 Ill. Reg. 9200 1, effective JUL 1 1995, for a maximum of 150 days)

SUBPART E: REHABILITATIVE SERVICES

Section 132.145 Provisions
EMERGENCY

a) Providers which are certified and enrolled to provide Medicaid community mental health services under the Medicaid rehabilitative service option shall comply with the following:

1) A provider contracting with the Department must, at a minimum, directly provide mental health assessment, ITP development, review, modification and at least one of the following:

A) Intensive stabilization services;

B) Extended treatment and rehabilitation services;

C) Psychosocial rehabilitation day program services;

D) Individual/family social rehabilitation; or

~~B) Community-based-rehabilitation;-or~~

E)~~F)~~ Intensive family-based services for children and adolescents.

2) A provider contracting with the Department may subcontract for services identified in subsection (a)(1) of this Section. There shall be a written agreement between the provider and the subcontractor which defines their contractual agreement and assures the subcontractor's compliance with applicable service provisions of this Subpart. All subcontracts must be approved by and on file with the Department.

3)~~2)~~ A provider contracting with DCFS or DOC must provide directly or by subcontract rehabilitative services assessment, rehabilitative services ITP development, review, modification and at least one other rehabilitative service as specified in Section 132.155.

4)~~3)~~ A physician or LPHA shall be responsible for recommending medically necessary rehabilitative services.

5)~~4)~~ The provider shall ensure that clinical direction of specified rehabilitative services, including review and approval of the ITP or rehabilitative services plan, review and approval of modifications in the ITP or rehabilitative services plan, and periodic review of the client's progress is provided in accordance with Sections 132.150 and/or 132.155.

6)~~5)~~ All Medicaid community mental health services delivered pursuant

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to this Subpart may be provided on-site, in non-clinic locations and in other locations where the clients to be served are located.

b) The Department, ~~or~~ DCFS or DOC may grant a waiver of any of the services specified in subsections ~~subsection~~ (a)(1) or (a)(2) of this Section ~~above~~, if it deems that such waiver increases the availability of rehabilitative services to Medicaid-eligible clients. The Department's waiver may include a substitution of other services as specified in Section 132.150, excluding Section 132.150(1) ~~(1)~~.

(Source: Emergency amendment at 19 Ill. Reg. 9200 1, effective JUL 1 1995, for a maximum of 150 days)

Section 132.150 Rehabilitative mental health services
EMERGENCY

a) Services under this Section shall be provided to clients with a diagnosis of mental illness as defined in Section 132.25 and whose level of role functioning is impaired ~~as-indicated-by-a--GAF--or--CGAS score-of-70-or-below~~.

b) A physician or a LPHA shall provide clinical direction of the provision of rehabilitative mental health services which shall include review and approval of ITP development and modification. Such ITP shall be reviewed and modified, as necessary, but no less than once every six months.

c) Service needs evaluation

1) The provider shall ensure that an individual requesting Medicaid community mental health services, any client who has been referred by order of a court, or any individual referred pursuant to a recommendation resulting from an early and periodic screening, diagnostic and treatment (EPSDT) examination, shall receive an evaluation of his or her need for mental health services. The service needs evaluation process may include a mental health assessment, a psychological assessment and/or a psychiatric evaluation. The service needs evaluation process shall result in a determination of the need for mental health services and the type of mental health services required and shall ensure the appropriateness of admission for inpatient psychiatric hospitalization ~~by-examining-and-exhausting-all-other less-restrictive-alternatives--available--to--meet--the--client's needs~~.

2) The service needs evaluation shall include a face-to-face or personal contact interview with the client and collaterals, as indicated.

~~3) The--service--needs--evaluation--shall--be--initiated-within-five working-days-after-the-request--or--referral,--immediately--in--a crisis-situation;~~

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3~~4~~) A client shall receive a mental health assessment prior to the development and implementation of an ITP. If the client is determined to be in need of immediate crisis intervention services, a mental health assessment shall not be required prior to the initiation of crisis services.

4~~5~~) Prior to the initiation of ~~the~~ mental health services ~~assessment~~, the provider shall obtain written consent from the client and/or the client's guardian, as applicable, unless the client is determined to be in need of crisis intervention services, or if the assessment is court-ordered for the client. Individuals who participate in treatment services are deemed to have consented; oral consent shall also be documented in the record.

5~~6~~) The mental health assessment shall include, at a minimum, the compilation, assessment and written report of the following:

A) Identifying information (see Section 132.100(a));

B) Extent, nature, and severity of presenting problem(s);

C) Personal and family history including the history of mental illness in the family;

D) Cognitive functioning (attention, memory, information, attitudes), perceptual disturbances, thought content, speech, and affect~~,~~ and an estimation of the ability and willingness to participate in treatment;

E) History of mental health treatment;

F) Present level of functioning including social adjustment and daily living skills;

G) Legal status (guardianship, representative payee, trust beneficiary, pending court order);

H) Level of education and/or specialized training, if applicable for adults;

I) Previous employment, acquired vocational skills~~,~~ and activities/interests, if applicable;

J) History of and/or current alcohol or chemical dependency;

K) Previous and current psychotropic medications, last physical examination~~,~~ and any known medical problems;

L) Resource availability (i.e., income entitlements, health care benefits, subsidized housing, social services).

6~~7~~) Responsibility for the completed mental health assessment shall be assumed by a QMHP who has had, at a minimum, one face-to-face contact with the client, his or her family, and the client's guardian, if applicable, at the client's request or by agreement of the client, during which the family was given the opportunity to provide pertinent information or support. An MHP(s) under the direct supervision of a QMHP may participate in the mental health assessment.

7~~8~~) The mental health assessment may be initiated without the prior recommendation of the physician or LPHA.

8~~9~~) The results of the mental health assessment shall be reviewed by

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the physician or LPHA and documented by signature on the ITP. The physician or LPHA shall determine if a psychiatric evaluation and/or a psychological assessment is necessary in order to develop the client's ITP. A psychiatric evaluation, if recommended, shall be conducted by the physician on a face-to-face basis with the client. A psychological assessment, if recommended, shall be conducted by a licensed clinical psychologist on a face-to-face basis with the client.

9~~10~~) The service needs evaluation report(s), including the mental health assessment, the psychiatric evaluation, if applicable, and the psychological assessment, if applicable, shall be used in the development of the client's ITP.

d) Treatment plan development, review and modification

1) The provider shall explain to the client and to the client's guardian, if applicable, the process for the development and the contents of the ITP.

2) The ITP shall be developed with the participation of the client and the client's guardian, if applicable~~,~~. ~~The plan~~ and shall be signed by ~~the client if 12 years of age or older or by the parent or legal guardian of a minor or by the legally appointed guardian of an adult who has been adjudicated as legally disabled~~, the QMHP~~,~~ and the physician and/or LPHA who is directing ~~involved in~~ the formulation of the ITP. ~~A copy of the signed plan shall be offered to the client, if not clinically contraindicated, and the client's parent or guardian, if applicable~~, and shall be incorporated in the client's clinical record.

3) The plan shall be signed by the client if the client is 12 years of age or older or by the parent or legal guardian of a minor or by the legally appointed guardian of an adult who has been adjudicated as legally disabled. A copy of the signed plan shall be given to the client, if not clinically contraindicated, and the client's parent or guardian, if applicable.

4~~3~~) The ITP shall be developed within 45 days after the documented date of completing the mental health assessment. The ITP shall include a definitive diagnosis that has been determined using the DSM-IV ~~DSM-III-R~~ or ICD-9-CM. If the diagnosis cannot be determined within 45 days or a rule-out diagnosis is given, the client's clinical record must contain documentation as to what evaluation(s) will be performed in order to provide a definitive diagnosis in the ITP.

~~4) The ITP shall state the overall goals of treatment and shall indicate the specific mental health services to be provided, in accordance with the following:~~

~~A) Description of the mental health service needs of the client in relation to the rehabilitative mental health service(s) to be provided;~~

~~B) Contain a statement relating to the goals, objectives and~~

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~~expected-outcome(s)-for-the-specific--rehabilitative--mental health--service(s)--provided--to--the--client.-The-statement shall-specify-for-each-service:~~

~~i) long-term-goals-and-specific--intermediate--objectives stated-sequentially;~~

~~ii) Planned--intervention--related--to--accomplishing--the objectives---including--the--frequency,--quantity--and duration-of-services;~~

~~iii) Date(s)-on-which-each-service-objective--was--set--and the-expected-length-of-service;-and~~

~~iv) Identification---of---the---professional---staff--with responsibility-for-managing-each-service-objective.~~

5) The ITP shall state the overall goals of treatment, indicate the specific mental health services to be provided and describe the mental health services needs of the client in relationship to mental health services to be provided including goals, objectives, expected outcome, frequency and responsible staff.

6~~5~~) Responsibility for development of the ITP shall be assumed by a QMHP as documented by his or her signature on the ITP.

7~~6~~) A physician or LPHA shall provide the clinical direction of rehabilitative mental health services identified in the ITP as documented by his or her signature on the ITP. Such clinical direction includes reviewing the plan no less than once every six months and modifying the plan as necessary.

8~~7~~) Mental health professionals may participate in the development of the ITP.

9~~8~~) If multiple Medicaid certified providers are involved in providing mental health services to the same client under this Section, one master ITP shall be developed by the team of individuals responsible for providing the respective services.

e) Psychiatric treatment

1) Psychotropic medication requirements include:

A) Psychotropic medication shall be prescribed by a physician who has conducted a psychiatric evaluation of the client, or in an emergency, is aware of the client's psychotropic medication history and the client's current level of functioning.

B) Psychotropic medication shall be administered by personnel licensed to administer medication pursuant to the ~~The~~ Illinois Nursing Act of 1987 and the Medical Practice Act of 1987.

C) Psychotropic medication shall be reviewed every 90 days, at a minimum, by the physician.

D) Psychotropic medication monitoring and self-administration training shall be provided by clients in the following areas, if prescribed by the treating physician:

i) Psychiatric illness;

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ii) Psychotropic medications, effects, side-effects, and adverse reactions;

iii) Self-administration of medications;

iv) Storage and safeguarding of medication; and/or

v) Communicating with mental health professionals regarding medication issues.

E) Notation shall be made in the client's clinical record regarding psychotropic medication and other types of medication. Notations shall include:

i) All medication being taken by the client;

ii) Current psychotropic medication: name, dosage, frequency, and method of administration;

iii) Activities implemented to address any problem(s) resulting from psychotropic medication administration; and

iv) A statement indicating that the client has been informed of the purpose of the psychotropic medication ordered and the side effects of the medication.

F) Psychotropic and other medication shall be stored under proper conditions of sanitation, temperature, light, moisture, ventilation, segregation, security and in accordance with the Department of Public Health's rules at 77 Ill. Adm. Code 300.1640.

G) Psychotropic medication monitoring and training shall be provided by the physician, by a QMHP under the direction of a physician, or by a MHP under the supervision of a QMHP. The physician must designate, in writing, the professionals who provide medication monitoring and training services, as medication monitoring and training staff.

2) Therapy or counseling shall include:

A) Individual therapy or counseling;

B) Group therapy or counseling; and

C) Family therapy (includes couples' therapy and marital counseling) or family counseling.

3) The services shall be provided:

A) Following a mental health assessment and consistent with the client's ITP; and

B) On a face-to-face or personal contact basis with adult clients and their families, at the client's request or agreement; or with groups of clients,; or with a child or adolescent client and his or her family, or on behalf of a child or adult with the child's or adult's family and based on the ITP.;

4) Service termination criteria shall include:

A) Determination that the client's level of role functioning and the personal distress level have improved and can be ~~have been~~ maintained consistent with the ITP; or

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B) Determination that the client's level of role functioning has significantly deteriorated to a degree where referral or a transfer to a more intensive mental health treatment is indicated; or

C) Documentation in the client's clinical record that the client terminated participation in the program.

5) Psychiatric treatment services shall be provided in accordance with the following:

A) Therapy services shall be provided by a QMHP; and~~,~~

B) Counseling may be provided by a QMHP or MHP.

f) Crisis intervention

1) Crisis intervention services shall be provided to clients who are experiencing a psychiatric crisis and a high level of personal distress to provide brief and immediate intensive treatment to reduce symptomatology, stabilize and restore the client to a previous level of role functioning and to assist the client in functioning in the community.

2) Crisis intervention services shall include:

A) Immediate preliminary assessment;

B) Therapy or counseling (brief and immediate); and

C) Referral, linkage and consultation with other appropriate mental health services.

3) Crisis intervention services shall provide immediate crisis assessment to ensure the appropriateness of admission for psychiatric hospitalization ~~by examining and exhausting all other less restrictive alternatives available to meet the client's needs~~.

4) Services shall be provided on a face-to-face or personal contact basis, following, at a minimum, an assessment of the need for mental health services. If one does not already exist, a ~~A~~ preliminary ITP shall be developed and shall become a part of ~~incorporated into~~ the ITP, if additional ~~continuing~~ mental health services are to be provided.

5) Crisis intervention services may be initiated prior to development of the ITP. Referral and linkage with continuing mental health services shall be provided for clients in crisis, including residential crisis care, respite care~~,~~ and/or inpatient psychiatric treatment, as needed.

6) Service eligibility and termination criteria

A) Crisis intervention services shall be available to clients presenting an apparent need for immediate mental health services. Service eligibility criteria shall include:

i) Determination of deterioration in one or more areas of role functioning within the past seven days which requires immediate resolution and stabilization to prevent further deterioration in role functioning; or

ii) Determination that acute symptomatology requires immediate stabilization to prevent substantial deterioration in role functioning and to relieve personal distress.

B) Service termination criteria shall include:

i) Determination that the crisis has been resolved and the client shows positive change toward restoration to a previous level of role functioning and/or decrease in personal distress and is not in need of further crisis mental health services; or

ii) Determination that the client has been stabilized or ~~but~~ requires a transfer or referral to less intensive mental health treatment for continuing mental health services; or

iii) Determination that the client has not been stabilized and the client requires a transfer or referral to more intensive mental health treatment for continuing mental health services; or

iv) Documentation in the client's clinical record that the client terminated participation in the program.

7) Crisis intervention services may be delivered by a QMHP or an MHP with access to a QMHP who is available for immediate consultation and clinical supervision.

8) The number of crisis intervention staff shall be adequate to provide immediate crisis assessment, brief therapy or counseling~~,~~ and referral and linkage on a face-to-face basis during the regular hours of service operation and, at a minimum, provide crisis assessment and referral to mental health services, as necessary, after the regular hours of operation. Written agreements shall be established for referral of clients to crisis intervention services after regular operating hours, as necessary.

g) Day rehabilitation treatment programs

1) Day rehabilitation treatment programs may include three levels of rehabilitative mental health services provided within a format of structured daily activities which are designed to promote improvement in psychological, interpersonal~~,~~ and age-appropriate or independent role functioning which shall include intensive stabilization, extended treatment and rehabilitation and psychosocial rehabilitation. Such programs are specified as intensive stabilization services, extended treatment and rehabilitation services~~,~~ or psychosocial rehabilitation day program services. Each service provides an integrated, comprehensive and complimentary schedule of psychiatric and/or psychosocial treatment modalities provided in a therapeutic milieu addressing at least three areas of functioning:

A) Psychological;

B) Interpersonal; and

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C) Age-appropriate or independent role functioning.

2) Day rehabilitation treatment programs for individuals under the age of 21 years shall not include services that are educational in nature; for example, services identified in the individual education plan (IEP).

3) Intensive stabilization and extended treatment and rehabilitation services shall include a range of therapeutic interventions provided following a mental health assessment and consistent with the client's ITP.

4) Intensive stabilization services shall be available for a minimum of four hours a day, five days a week with a schedule of interventions focused on resolution or stabilization of short-term problems or crisis situations which, if not treated, would require inpatient psychiatric hospitalization including the provision of the following:
   A) Therapy (individual, group and family); or ~~and~~
   B) Occupational therapy (optional).

5) Extended treatment and rehabilitation services shall be available for a minimum of four hours a day, five days a week with a schedule of interventions focused on the development, acquisition, enhancement and/or maintenance of interpersonal and adaptive functioning to restore client functioning and to facilitate re-entry into the family and community, including the provision of the following:
   A) Therapy (individual, group and family);
   B) Occupational therapy (optional); and
   C) Adaptive functioning, stabilization and developmental interventions.

6) Psychosocial rehabilitation day program services shall be available for a minimum of four hours a day, five days a week. Individuals participate in services based on their individualized needs consistent with their ITPs.

7) Psychosocial rehabilitation day program services include provision of core service elements which address age-appropriate or independent role functioning and include:
   A) Individual or group counseling;
   B) Individual or group adaptive functioning, stabilization, and developmental interventions; and
   C) Community integration and reintegration.

8) Service eligibility and termination criteria
   A) Specific service eligibility criteria for intensive stabilization shall include determination that the client:
      i) Exhibits signs, symptoms and associated features of mental illness and has experienced deterioration in role functioning in one or more primary areas, which requires immediate intervention to prevent further deterioration and the need for 24-hour supervised

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treatment, e.g., hospitalization; or
      ii) Requires further continuation of treatment following hospitalization because symptoms persist and role functioning has not improved.
   B) Specific service eligibility criteria for extended treatment and rehabilitation services and psychosocial rehabilitation day program services shall include a determination that the client lacks independent living skills, and/or is unable to maintain community adjustment without structured intervention.~~:~~
      ~~i) The client lacks independent living skills, and/or is unable to maintain community adjustment without structured intervention; or~~
      ~~ii) The client has a sufficient level of stress tolerance to allow planned attendance and increasing participation in a structured extended rehabilitation program.~~
   C) General termination criteria for intensive stabilization shall include:
      i) Determination that the client's level of acute distress/crisis has been resolved and previous role functioning restored consistent with ITP objectives; or
      ii) Documentation in the client's clinical record that the client terminated participation in the program.
   D) General termination criteria for extended treatment and rehabilitation services and psychosocial rehabilitation day program services shall include:
      i) Determination that the client's level of role functioning has improved, and the rehabilitation services objectives have been obtained and maintained consistent with the ITP; or
      ii) Determination that the client's level of role functioning~~, as assessed using the GAF or CGAS Scales,~~ has not improved or has deteriorated and the extended rehabilitation services objectives have not been obtained consistent with the ITP; or
      iii) Documentation in the client's clinical record that the client terminated participation in the program.

9) Staffing
   A) Intensive stabilization services shall be delivered by a QMHP. Extended treatment and rehabilitation services may be delivered by a QMHP or MHP. Psychosocial rehabilitation day program services may be delivered by an MHP.
   B) Intensive stabilization services shall have a minimum of one full-time equivalent (FTE) QMHP to every six adult clients ~~(1:6)~~ or 1:3 for child and adolescent clients, based on

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average daily attendance calculated annually.

C) Extended treatment and rehabilitation services shall have a minimum of one FTE MHP to 10 adult clients ~~(1:10)~~ or 1:6 for child and adolescent clients, based on average daily attendance calculated annually.

D) Psychosocial rehabilitation day program services shall have a minimum of one FTE MHP to 15 clients (1:15) based on average daily attendance calculated annually.

h) Individual/family social rehabilitation

1) Services shall be delivered following a mental health assessment, be ~~in~~ goal directed, ~~sessions using~~ clearly defined ~~formats,~~ and ~~be~~ focused on improving adaptive functioning deficits identified in the ITP.

2) Services shall be provided individually or in a group setting on a face-to-face basis with the client or with the client and/or the client's family.

3) Service eligibility shall include a determination that the client or the client and the client's family has adaptive functioning deficits for which social rehabilitation is the appropriate intervention.

4) Service termination criteria shall include a determination that the service objectives have not and/or are unlikely to be met through continuation of this service or documentation in the client's clinical record that the client terminated participation in the program.

5) Client/family social rehabilitation services shall be provided by MHP(s).

i) Rehabilitative stabilization services ~~Community-based-rehabilitation in-order-to-provide-community-based-rehabilitation,-the-provider-shall be--licensed--in--accordance-with-59-Ill.-Adm.-Code-115-(Standards-and licensure-Requirements-for-Community-integrated-living-Arrangements).~~

1) Rehabilitative stabilization services shall be provided in accordance with specifications in the ITP in order to develop or maintain an adult's or child's functioning.

2) Rehabilitative stabilization activities may include:

A) Parental functioning development;

B) Individual functioning development;

C) Self-management functioning development;

D) Parent-child interaction functioning development or sibling interaction functioning development;

E) Self-management development; and

F) Family management development.

3) Responsibility for the provision of rehabilitative stabilization services shall be assumed by a person with no less than two years of human services experience or by an RSA.

j) Developmental rehabilitative services

1) Developmental rehabilitative services shall be provided in

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accordance with an ITP to restore a child or adolescent to a maximum level of functioning.

2) Developmental rehabilitative services may include time spent in activities using art, music, drama, play or recreation either to individuals or as a group activity.

3) Responsibility for the provision of developmental rehabilitative services shall be assumed by an individual possessing a bachelor's degree with no less than two years of human services experience or by an RSA.

4) This service is restricted to a child who resides in a specialized substitute care living arrangement and is receiving comprehensive mental health services under subsection (k) of this Section.

k) Comprehensive mental health services

1) Comprehensive mental health services shall be provided to eligible children in accordance with the child(ren)'s ITP for the purpose of behavioral functioning changes which are necessary for the child(ren)'s day-to-day functioning.

2) Comprehensive mental health services may be provided to a child receiving care or services in a specialized substitute care living arrangement supervised by a certified provider which is under contract to the Department, DCFS or DOC to provide specialized substitute care.

3) Comprehensive mental health services may include any of the services described in this Section and in Section 132.165.

4) Comprehensive mental health services shall be provided by individuals possessing the required qualifications for each discrete service.

~~k~~l) Client-centered consultation

1) Is provided on a face-to-face or personal contact basis for the purpose of implementing and/or evaluating the implementation of the client's ITP.

2) May include:

A) A scheduled meeting or conference for professional communication between provider staff, ~~and~~ staff of other agencies, child-caring systems including school personnel or other professionals involved in the treatment process.

B) A scheduled meeting or conference for professional communication between provider staff and family members involved in the treatment process.

3) Must be provided in conjunction with one or more rehabilitative mental health services as specified in this Section and may be provided without prior authorization in the ITP ~~up-to-12-hours per-year~~.

4) Does not include advice given in the course of clinical staff supervisory activities, in-service training, treatment planning, ~~or~~ utilization review and may not be billed as part of the

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assessment process.

5) May be provided by a QMHP or MHP.

mk) Intensive family-based services for children and adolescents

1) Intensive family-based services:

A) Shall be provided to a child or adolescent with a mental illness and to his or her other family members as needed to support the rehabilitation and restoration of the child or adolescent to an optimal level of functioning and to reduce the risk of more restrictive treatment for the child or adolescent such as psychiatric hospitalization.

B) Are concentrated therapeutic activities which may include:

i) One-to-one counseling for therapeutic activities;

ii) Counseling related to ITP goals and objectives;

iii) Individual/family social rehabilitation related to the child's emotional deficits;

iv) Counseling in behavioral management; and

v) Assistance in household management related to the provision of mental illness-related care services for the child;~~.~~

C) Are generally provided in-home or at other off-site locations and are made available when and where the needs of the child and family can best be met; and~~.~~

D) Must be provided in conjunction with other rehabilitative mental health services and are primarily used as a catalyst to stabilize acute crisis situations and/or to diffuse or avert a family crisis.

2) A client 17 years of age or younger and his or her family are eligible for services when the level of the client's or his or her family's role functioning requires in-home or other intensive therapeutic interventions to avoid more restrictive services~~,~~ such as inpatient hospitalization or other out of home placement.

3) Generally termination criteria for intensive family based services shall include a determination that the child's and his or her family's level of role functioning has improved or has been stabilized to allow for transfer or referral to less intensive rehabilitative mental health services or case closure.

4) Services may be provided by an MHP.

n) Assertive community treatment (ACT)

1) ACT is an inclusive array of community-based rehabilitative mental health services and supportive services for persons with serious mental illness who have a history of high use of psychiatric hospitilization and therefore require a well coordinated and integrated package of services, provided over an extended duration, in order to live successfully in the community of their choice.

2) Eligibility criteria

A) Adult (18 and over) with frequent, lengthy or repeated admissions to State-operated facilities who meet one of the following criteria:

i) Three or more hospitalizations in a State-operated facility in the past 12 months,

ii) Five or more hospitalizations in a State-operated facility in the past 24 months, or

iii) 180 day total length of stay in the past 12 months.

B) The Department may grant an exception to the eligibility criteria in order to increase the availability of ACT services to individuals in need of an integrated package of services.

3) Termination criteria

Individuals may be served for as long as their needs dictate. However, if any individual consistently refuses to participate for a period of six months, he or she may be placed on an "inactive roster" and may be re-activated as needed.

4) The ACT team shall assume responsibility for assisting the individual with the most important factor associated with decreased hospitalization and improved community functioning to include:

A) Stabilizing the living arrangement, including obtaining and maintaining housing and other basic necessities, i.e., food and clothing, assisting the individual to obtain and maintain community living arrangements which afford safety and basic comforts, and providing ongoing services to ensure maintenance of the living arrangement during periods of institutional care, such as paying the rent and utilities;

B) Medication, including medication evaluation, education, prescription, administration, self-administration monitoring and training (including delivery of medication as necessary). This further includes observing and reporting effects and side effects of prescribed medication;

C) Money management, providing assistance in money management budgeting, and applying for financial entitlement, including becoming the representative payee; and

D) General health, vision, hearing and dental, including access to services for assessment, on-going treatment, follow-up, medication management and compliance, providing training in obtaining medical services in emergencies and non-emergency situations.

5) The ACT team will include but not limit itself to the following activities:

A) Linking individuals with resources and services;

B) Providing supportive counseling and problem-solving;

C) Assistance on an on-going basis and in times of crisis, including 24 hour crisis response;

D) Providing personal support and assistance in gaining access

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to other mental health treatment and rehabilitation services, vocational training, educational services, legal services, employment opportunities, leisure, recreation, religious, and social activities and self-help groups;

E) Maintaining on-going involvement with the individual during stays in other environments such as State-operated facilities, convalescent care facilities, community hospitals or rehabilitation centers;

F) Accessing and providing training in obtaining medical services, emergency and non-emergency;

G) Advocating on behalf of the individual;

H) Providing information and educational and advocacy services to family members;

I) Developing natural community supports, fostering relationships with non-paid persons in the community such as neighbors, landlords and volunteers;

J) Assisting individuals with activities of daily living through skills training and acquisition of assistive devices; and

K) Providing or assisting with transportation.

6) Staff qualification

The ACT team shall include a multi-disciplinary mix including mental health professionals and substance abuse treatment professionals. The team shall include a psychiatrist, a QMHP, mental health professionals and may include RSA's. It is highly desirable to include a nurse and a certified alcoholism and other drug counselor, certified by the Illinois Alcohol and Other Drug Abuse Professional Association, Inc., as part of the team.

7) Service requirements

A) ACT services shall be provided on a face-to-face or personal contact basis, with the client or on behalf of clients, with involved others, for the purpose of gaining access to treatment, rehabilitation and support services.

B) Services may be provided following a determination of eligibility pursuant to an ACT services plan and may commence prior to the completion of a comprehensive assessment and the development of the individual treatment plan.

C) Services shall be provided under the direction of a LPHA which is demonstrated by the LPHA's written approval of the ACT services plan.

D) The comprehensive assessment and individual treatment plan shall be developed within 90 days after the approval of the ACT services plan.

E) The ACT services plan shall specify the issues or problems and the actions to be taken in addressing them.

F) Individual counseling, individual social rehabilitation,

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case management, client-centered consultation or rehabilitative stabilization services may not be billed, in combination with ACT services.

G) A weekly summary progress in relationship to the ACT services plan shall be documented in the clinical record.

H) A staff to client ratio of no more than 1:10 to 1:15 shall be maintained.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.155 Family intervention, stabilization and reunification services EMERGENCY

a) Services under this Section are provided to clients with substantial impairment in role functioning as indicated by an ICD-9-CM diagnosis and whom ~~who~~ DCFS has determined require services pursuant to one of its legal mandates for the purpose of assuring the protection and permanency of one or more child or adolescent members of the family, and who meet one or more of the following conditions:

1) A child for whom DCFS is legally responsible and who is placed in a relative foster home, a licensed foster home, group home or, as permitted by federal law, a child care institution, or an undomiciled child and the child has been determined to:

A) Be demonstrating behavioral and/or emotional responses so different from generally accepted age-appropriate, ethnic or cultural norms as to result in a significant impairment in self-care, social relationships, educational progress and behavior, work adjustment or family (or equivalent) adjustment; or

B) Be at risk or has actually experienced separation from his or her family.

2) Members of the family of a child described in subsection (a) (1) of this Section ~~above~~ when involvement of the child's family in services is identified as directly related to the child's problems and is also identified in the child's rehabilitative services plan.

3) A child for whom DCFS is legally responsible or any other child served by DCFS who resides with his or her parent or guardian and the child meets one of the criteria listed in subsection (a)(1) of this Section ~~above~~.

4) Members of the family served by DCFS when the child who meets one of the criteria in subsection (a)(1) of this Section ~~above~~ is residing with his or her parent or guardian and involvement of the family in services is directly related to resolving the child's problems as identified in the child's rehabilitative services plan.

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b) Services under this Section are provided to DOC youths with substantial impairments in role functioning as indicated by an ICD-9CM diagnosis and whom DOC has determined require services, and who demonstrate behavioral and/or emotional responses so different from generally accepted age-appropriate, ethnic or cultural norms as to result in a significant impairment in self-care, social relationships, educational progress and behavior work adjustment or family (or equivalent) adjustment.

c)~~b)~~ When the parent or guardian with whom the child resides has a DSM-IV, ~~DSM-III-R~~ diagnosis of mental illness~~, a GAF score of 70 or less,~~ and successful treatment of the illness is essential for the child's protection and/or permanency, services shall be provided in accordance with Section 132.150.

d)~~c)~~ Rehabilitative assessment

1) A rehabilitative assessment shall be initiated within five working days after a written referral or a verbal request which is confirmed in writing within 48 hours.
2) The rehabilitative assessment shall include a face-to-face or personal contact interview with the client and collaterals, as indicated.
3) A psychiatric evaluation, if applicable, shall be conducted by a physician on a face-to-face basis with the client.
4) A psychological assessment, if applicable, shall be conducted by a licensed clinical psychologist on a face-to-face basis with the client.
5) The rehabilitative assessment shall include at a minimum the items identified in Section 132.150(c)(6).
6) When the rehabilitative assessment results in the determination that additional services under this Section are required, such services shall be recommended by a physician or a LPHA.
7) Responsibility for the completed rehabilitative assessment shall be assumed by staff possessing a master's degree in human services or a bachelor's degree ~~in human services~~ and having five years of human services experience who may be assisted by staff with a minimum of a bachelor's degree ~~in human services~~. A minimum of one face-to-face contact with the client and his or her family, and the client's guardian, if applicable, at the client's request or by agreement of the client, when the family can provide pertinent information or support, is required by the staff responsible for completing the rehabilitative services assessment.
8) A client determined to be in need of rehabilitative services shall receive a rehabilitative assessment prior to the determination of the specific rehabilitative services and the initiation of services. If the client is determined to be in need of immediate rehabilitative crisis intervention and stabilization services pursuant to subsection (f) of this Section ~~below~~, a rehabilitative assessment shall not be required prior to the initiation of rehabilitative crisis intervention and stabilization services.

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e)~~d)~~ Rehabilitative services plan development, review and modification

1) The rehabilitative services plan shall be developed with the participation of the client and the client's guardian, if applicable. The plan shall be signed by the client, if 12 years of age or older, or by the parent or legal guardian of the minor client, the staff who developed the plan and the physician, LPHA or QMHP. A copy shall be given to the client, if not contraindicated, and the client's parent or guardian, if applicable, and incorporated in the client record.
2) The rehabilitative services planning process consists of~~:~~ face-to-face contacts, collateral contacts and meetings with the client;
3) The rehabilitative services plan shall be developed within 45 days after the documented date of completing the rehabilitative services assessment. The rehabilitative services plan shall include a diagnosis as specified in the DSM-IV ~~DSM-III-R~~ or ICD-9-CM.
4) The rehabilitative services plan shall state the overall goal of the services, identify the specific rehabilitative services to be provided, the duration of services and the anticipated outcomes.
5) Responsibility for development of the rehabilitative services plan shall be assumed by staff having at least a bachelor's degree ~~in human services~~ with two years of human services experience.
6) The planning process for clients who also receive rehabilitative services under Section 132.150 shall comply with the provisions of Section 132.150(d).
7) A physician, LPHA or QMHP shall provide ongoing clinical direction of family intervention, stabilization and reunification services identified in the rehabilitative services plan. Such clinical direction includes reviewing the plan no less than once every six months and modifying the plan, as necessary.
8) A physician or a LPHA shall determine the continuing necessity for services under this Section at least annually.
9) If multiple Department or DCFS Medicaid certified providers are involved in providing services described in this Section, one master rehabilitative services plan shall be developed by the team of individuals responsible for providing the respective services.

f)~~e)~~ Rehabilitative counseling

1) Rehabilitative counseling shall be provided in accordance with a rehabilitative services plan for the purpose of behavioral or functional changes in the eligible adult or child which are necessary for the individual's day-to-day functioning.

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2) Rehabilitative counseling activities may include individual, group or family counseling.
3) Responsibility for the provision of rehabilitative counseling shall be assumed by an individual possessing at least a bachelor's degree in human services with one year of human services experience.

g)~~f~~ Rehabilitative crisis intervention and stabilization
1) Rehabilitative crisis intervention and stabilization services shall be provided to all eligible clients who are experiencing an acute crisis which threatens safety or functioning, or extrusion from the family.
2) Rehabilitative crisis intervention and stabilization shall include:
A) Immediate preliminary assessment;
B) Counseling; and
C) Referral to other applicable medically necessary rehabilitative services.
3) The rehabilitative crisis intervention and stabilization process consists of face-to-face or personal contact intervention with a client~~,~~ and short-term placement prevention services.
4) Rehabilitative crisis intervention and stabilization services shall be delivered by staff possessing a bachelor's degree in human services with one year of human services experience. Pre-psychiatric hospitalization screening shall be handled only by a QMHP or by an MHP with access to a QMHP who is available for immediate consultation and clinical supervision.

h)~~g~~ Rehabilitative consultation and review
1) Rehabilitative consultation and review activities are provided in accordance with a rehabilitative services plan.
2) Rehabilitative consultation and review activities may include:
A) Scheduled or unscheduled multidisciplinary case consultations with other external or internal professionals or agencies;
B) Attendance at and participation in required DCFS or DOC case reviews including administrative case reviews; and
C) Participation in scheduled court hearings.
3) Responsibility for rehabilitative consultation and review activities is limited to:
A) Staff serving as case managers/lead workers and their supervisors;
B) Staff meeting as part of a multidisciplinary consultation team; and/or
C) Staff participating in required DCFS or DOC reviews, including administrative case reviews.

i)~~h~~ Rehabilitative stabilization services
1) Rehabilitative stabilization services shall be provided in accordance with specifications in a rehabilitative services plan

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in order to develop or maintain an adult's or child's functioning.
2) Rehabilitative stabilization activities may include:
A) Parental functioning development;
B) Individual functioning development;
C) Self-management functioning development;
D) Parent-child interaction functioning development or sibling interaction functioning development;
E) Self-management development; and
F) Family management development.
3) Responsibility for the provision of rehabilitative stabilization services shall be assumed by a person with no less than two years of human services experience or by a rehabilitative services associate (RSA).

j)~~i~~ Developmental rehabilitative services
1) Developmental rehabilitative services shall be provided in accordance with a rehabilitative services plan to restore a child or adolescent to a maximum level of functioning.
2) Developmental rehabilitative services may include time spent in activities using art, music, drama, play or recreation either to individuals or as a group activity.
3) Responsibility for the provision of developmental rehabilitative services shall be assumed by an individual possessing a bachelor's degree ~~in the specific area~~ plus no less than ~~at least~~ two-years of human services experience or by an RSA ~~in the specific area~~.

k) Comprehensive rehabilitative services
1) Comprehensive rehabilitative services shall be provided to eligible child(ren) in accordance with the child(ren)'s ITP or rehabilitative services plan for the purpose of behavioral or functional changes which are necessary for the child(ren)'s day-to-day functioning.
2) Comprehensive rehabilitative services may be provided to a child receiving care or services in a specialized substitute care living arrangement.
3) Comprehensive rehabilitative services may include any of the services described in subsections (a) through (i) of this Section and Section 132.170.
4) Comprehensive rehabilitative services shall be provided by individuals possessing the required qualifications for each discrete service.

l) Short-term diagnostic and rehabilitative services
1) Short-term diagnostic and rehabilitative services shall be provided to eligible children for the purpose of behavioral or functional changes which are necessary for the child's day-to-day functioning.
2) Short-term diagnostic and rehabilitative services may be provided

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to a child receiving care or services in a specialized substitute care living arrangement.

3) Short-term diagnostic and rehabilitative services may included any of the services described in subsections (a) through (i) of this Section and Section 132.170.

4) Short-term diagnostic and rehabilitative services shall be provided by individuals possessing the required qualifications for each discrete service.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.160 Provisions
EMERGENCY

A provider contracting with the Department, ~~or~~ DCFS or DOC and certified under Subpart D or E of this Part may apply for certification in accordance with the provisions of this Subpart.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.165 Mental health case management services
EMERGENCY

a) Mental health case management services may be provided to any individual in need of or receiving services in accordance with Subpart D or E of this Part who has a mental illness.

b) Mental health case management activities shall include:
   1) Linkage with a continuum of mental health services;
   2) Linkage with basic resources, which may include:
      A) Applying for financial, medical and other public entitlements;
      B) Locating housing;
      C) Obtaining medical and dental care; and
      D) Obtaining other social, educational, vocational, and recreational services;~~,~~
   3) Client-specific advocacy and assistance with problem solving/resolution to assist the client in building community support and family support systems; and
   4) 24-hour crisis response availability, either directly or through written interagency agreements which assure that a QMHP or MHP assesses the situation and makes a determination of the proper course of action.

c) Mental health case management services shall be provided following a mental health assessment and be authorized consistent with the client's ITP (except that immediate assistance may be provided to

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obtain food, shelter and clothing without prior authorization, if needed) on a face-to-face basis or personal contact basis with the client, his or her family, or other persons (such as employees of the Public Aid offices, restaurants, or neighborhood centers), at the client's request or agreement or based on the ITP, primarily in the client's own home or other appropriate community locations.

d) Service eligibility criteria shall include a determination that:
   1) The client is in need of or currently receiving mental health services in accordance with Subparts D or E of this Part and requires assistance in gaining access to social, educational, vocational, housing, public income entitlements and other community services to assist the client in functioning in the community.
   2) The client is planned to be discharged from an inpatient psychiatric facility and may require linkage with a provider for continuing mental health services and community/family support~~,~~ and may be in need of immediate assistance in securing appropriate housing and income entitlements in order to function independently in the community.

e) Service termination criteria shall include:
   1) Determination that the client's level of role functioning has improved and has been maintained consistent with the ITP, and that the client is no longer in need of advocacy to support adequate role functioning; or
   2) Determination that the client has been successfully linked with appropriate mental health services and other basic services consistent with the ITP and is no longer in need of assistance or advocacy to maintain them. Successful linkage is person-to-person contact between a client and the staff of a community provider which has agreed to provide necessary services and the mutual agreement between a client and the staff of the community provider that appropriate services are available and are likely to meet the client's needs; or
   3) Documentation in the client's record that the client terminated participation in the program.

f) Mental health case management services may be provided by a QMHP or ~~by~~ an MHP.

~~g) The annual maximum units for mental health case management services shall not exceed 240 hours and such units are billed in 15 minute increments.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

Section 132.170 Rehabilitative case management
EMERGENCY

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a) Services under this Section are provided to clients with substantial impairment in role functioning as indicated by an ICD-9-CM diagnosis and whom ~~who~~ DCFS has determined require services pursuant to one of its legal mandates for the purpose of assuring the protection and permanency of one or more child or adolescent members of the family, and who meet one or more of the following conditions:
   1) A child for whom DCFS is legally responsible who is placed in a relative foster home, a licensed foster home, group home or, as permitted by federal law, a child care institution, or an undomiciled child and the child has been determined to:
      A) Be demonstrating behavioral and/or emotional responses so different from generally accepted age-appropriate, ethnic or cultural norms as to result in a significant impairment in self-care, social relationships, educational progress and behavior, work adjustment~~,~~ or family (or equivalent) adjustment; or
      B) Be at risk or has actually experienced separation from his or her family.
   2) Members of the family of a child described in subsection (a) (1) of this Section ~~above~~ when involvement of the child's family in services is identified as directly related to the child's problems and is also identified in the child's rehabilitative services plan.
   3) A child for whom DCFS is legally responsible or other child served by DCFS who resides with his or her parent or guardian and the child meets one of the criteria listed in subsection (a)(1) of this Section ~~above~~.
   4) Members of the family served by DCFS when the child who meets one of the criteria in subsection (a)(1) of this Section ~~above~~ is residing with his or her parent or guardian and involvement of the family in services is directly related to resolving the child's problem as identified in the child's rehabilitative services plan.

b) Services under this Section are provided to DOC youths with substantial impairments in role functioning as indicated by an ICD-9-CM diagnosis and whom DOC has determined require services, and who demonstrate behavioral and/or emotional responses so different from generally accepted age-appropriate, ethnic or cultural norms as to result in a significant impairment in self-care, social relationships, educational progress and behavior work adjustment or family (or equivalent) adjustment.

c)~~b~~ When the parent or guardian with whom the child resides has a DSM-IV ~~DSM-III-R~~ diagnosis of mental illness, ~~a GAF score of 70 or less~~, and mental health case management services are needed to support the child's protection and/or permanency, services are to be provided in accordance with Section 132.165.

d)~~c~~ Rehabilitative services coordination

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   1) Rehabilitative services coordination shall be provided in accordance with a rehabilitative services plan to assist eligible adults and children access and participation in recommended rehabilitative services.
   2) Rehabilitative services coordination activities may include all direct or collateral contacts, including problem-solving intervention of a short duration, with or on behalf of the eligible client, which are intended to coordinate the client's access to and receipt of recommended services.
   3) Responsibility for the provision of rehabilitative services coordination shall be assumed by a person who has no less than two years of human services experience or a RSA.

e)~~d~~ Rehabilitative transition linkage and aftercare services
   1) Rehabilitative transition linkage and aftercare services shall be provided to eligible children to assist in an effective transition in living arrangement consistent with the child's welfare and development.
   2) Rehabilitative transition linkage and aftercare services activities may consist of the time spent:
      A) Planning with staff of current or receiving living arrangements (including foster or legal parents as necessary);
      B) Locating placement resources;
      C) Arranging/conducting pre-placement visits; and
      D) Developing an aftercare services plan.
   3) Rehabilitative transition linkage and aftercare services responsibility shall be assumed by a person possessing at least a bachelor's degree ~~in human services~~ and one year of human services experience.

~~e) The annual maximum units for rehabilitative services coordination shall not exceed 240 hours and such units are billed in 15 minute increments.~~

~~f) The annual maximum units for rehabilitative transition linkage and aftercare services shall not exceed 40 hours and such units are billed in 15 minute increments.~~

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

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Section 132.APPENDIX A Medicaid Community Mental Health Services Application Components
EMERGENCY

The following items are required as attachments to the application pursuant to Section 132.30(g):

1. Detailed program description (including staff qualifications, dates and times of operations) for each service for which application is made.
2. Utilization review plan pursuant to Section 132.95.
3. A copy of a client record format including copies of all forms to be used.
4. If licensed or accredited, a copy of the applicant's most recent accreditation letter or license and, if applicable, the report of survey findings.
5. Documentation of compliance with State ~~state~~ and local ordinances and codes pursuant to Section 132.90 as they relate to fire and safety for all sites where Medicaid services are provided.
6. Documentation of compliance from a licensed plumber and electrician for all sites where Medicaid services are provided. (A statement from a local or municipal/county building inspector, a licensed architect, a licensed professional engineer, or an electrical contractor will meet this requirement.)
7. A copy of the applicant's financial audit for the last fiscal year if it is not on file with the Department, ~~or~~ DCFS or DOC.
8. Policy statements on:
   a. Third party payments (see Section 132.80(g));
   b. Written recommendation and clinical direction of services pursuant to Sections 132.115 and 132.145.
   c. How the applicant maintains business records which indicate financial arrangements between the applicant and other providers in the Medicaid community mental health services program and other entities which are necessary to maintain the program compliance (e.g., payments received) (see Section 132.85); and
   d. Confidentiality of client records (see Section 132.85).
9. The most recent contract which the applicant has with the Department or DOC for mental health services or DCFS for child welfare or youth services or with DOC for the provision of youth treatment, rehabilitative or transitional services.
10. A staffing roster which demonstrates the applicant's capacity to provide services in accordance with this Part.

(Source: Emergency amendment at 19 Ill. Reg. 9200 1, effective JUL 1 1995, for a maximum of 150 days)

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Section 132.APPENDIX B Utilization Parameters
EMERGENCY

Section 132.TABLE A Mental Health Clinic Program Client Services
EMERGENCY

SERVICE	MINIMUM UNIT BILLABLE*	AVERAGE UNITS PER SPECIFIED PERIOD	~~ANNUAL MAXIMUM UNITS~~
Mental health assessment	15 min	6 hours (per 6 months)	~~12 hours~~
Psychological assessment** (testing)		one assessment (per 12 months)	~~6 hours~~
Treatment plan (development and modification)	15 min	one hour (per 90 days)	~~12 hours~~
Psychotropic medication prescription, review, and monitoring & training	15 min	2 hours (per 30 days)	~~24 hours~~
Crisis intervention	15 min	10 hours (per 30 days)	~~50 hours~~
Day treatment/intensive stabilization	1 hour	22 days (per 30 days)	~~176 hours~~
Day treatment/extended treatment and rehabilitation	1 day (4 hrs)	22 days (per 30 days)	~~880 hours~~
Adult psychiatric treatment			
individual therapy (60 min av)	15 min	4 hours	~~36 hours~~
family therapy (120 min av)		8 hours	~~72 hours~~
group therapy (90 min av)		6 hours (per 30 days)	~~54 hours~~
Children/adolescents psychiatric treatment			
individual therapy (60	15 min	8 hours	~~96 hours~~

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min av)		
family therapy (120 min av)	16 hours	~~193 hours~~
group therapy (90 min av)	12 hours (per 30 days)	~~144 hours~~

* Billable to the nearest quarter hour, e.g., 55 minutes is billable to one hour or to the nearest hour for day treatment, e.g. at 1/4 of the day rate, if the client does not attend the typical full 4 hour day which is billable at the all inclusive full day rate.

** Psychological assessment shall be billed at the rate established for mental health assessment.

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

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Section 132.TABLE B Rehabilitative Mental Health Services
EMERGENCY

SERVICE	MINIMUM BILLABLE UNIT	MAXIMUM BILLABLE TIME/DAY	~~MAXIMUM BILLABLE TIME/YEAR~~
Mental health assessment	15 min.	45 min.	~~3 hours~~
Mental health social history	15 min.		~~9 hours~~
Psychological assessment	15 min.	45 min.	~~3 hours~~
Psychological standardized testing	15 min.		~~9 hours~~
Treatment plan development and modification	15 min.		~~24 hours~~
Medication administration, monitoring, or training	15 min		~~32 hours~~
Crisis intervention	15 min		~~60 hours~~
Adult psychiatric treatment			
Individual therapy	15 min.	45 min.	~~60 hours~~
Family therapy	15 min.	45 min.	~~104 hours~~
Group therapy	15 min.		~~196 hours~~
Individual counseling	15 min.		~~60 hours~~
Family counseling	15 min.		~~104 hours~~
Group counseling	15 min.		~~196 hours~~
Children/adolescents psychiatric treatment			
Individual therapy	15 min.	45 min.	~~120 hours~~
Family therapy	15 min.	45 min.	~~192 hours~~
Group therapy	15 min.		~~144 hours~~
Individual counseling	15 min.		~~120 hours~~
Family counseling	15 min.		~~192 hours~~
Group counseling	15 min.		~~144 hours~~
Rehabilitation day treatment			
Intensive stabilization	1 hour	8 hours	~~176 hours~~
Extended treatment, rehabilitation	1 hour	8 hours	~~1056 hours~~
Psychosocial rehabilitation	1 hour	8 hours	~~1056 hours~~
Individual/family social rehabilitation	15 min.		~~120 hours~~
~~Community based rehabilitation~~	~~1 day~~		~~365 days~~

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Client-centered consultation	15 min.		~~32-hours~~
Intensive family-based services	15 min.		~~400-hours~~
Case management, mental health	15 min.		
Rehabilitative stabilization	15 min.		
Developmental rehabilitation services	15 min.		
Comprehensive mental health services	1 day	1 day	
Assertive community treatment	15 min.		

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

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Section 132.TABLE C Family Intervention, Stabilization and Reunification Services
EMERGENCY

SERVICE	MINIMUM BILLABLE UNIT	MAXIMUM BILLABLE TIME/DAY	~~MAXIMUM BILLABLE TIME/YEAR~~
Rehabilitative assessment	15 min	45 min.	~~3-hours~~
Mental health social history	15 min.		~~9-hours~~
Psychological assessment	15 min.	45 min.	~~3-hours~~
Psychological standardized testing	15 min		~~9-hours~~
Rehabilitative services plan development, review and modification	15 min.		~~24-hours~~
Rehabilitative counseling			
Individual	15 min		~~60-hours~~
Family	15 min		~~104-hours~~
Group	15 min		~~156-hours~~
Rehabilitative crisis			
Intervention, stabilization	15 min		~~60-hours~~
Pre-hospitalization screening	15 min.		
Rehabilitative stabilization			
Individual or group	15 min.		~~120-hours~~
Developmental rehabilitation Individual or group	15 min.		~~140-hours~~
Rehabilitation consultation, review	15 min.		~~32-hours~~
Rehabilitation services coordination	15 min.		~~240-hours~~
Rehabilitation transition linkage and aftercare	15 min.		~~40-hours~~
Comprehensive rehabilitative services	1 day	1 day	

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Short-term diagnostic & rehabilitative services	1 day	1 day

(Source: Emergency amendment at 19 Ill. Reg. 9200, effective JUL 1 1995, for a maximum of 150 days)

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1) Heading of the Part: Medical Assistance Programs

2) Code Citation: 89 Ill. Adm. Code 120

3) Section Numbers: Emergency Action:

120.379	Amendment
120.386	Amendment
120.387	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, par. 12-13) [305 ILCS 5/12-13] and Public Act 89-21.

5) Effective Date of Amendments: July 1, 1995

6) If these Emergency Amendments are to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable

7) Date Filed in Agency's Principal Office: July 1, 1995

8) Reason for Emergency: This rulemaking is necessary to comply with provisions of Public Act 89-21 which require the Department of Public Aid to extend provisions for the prevention of spousal impoverishment to persons, who but for the receipt of home and community-based services under Section 4.02 of the Illinois Act on the Aging, would require the level of care provided in a long term care facility and whose spouses reside in the community. Public Act 89-21 specifically requires these changes are to be implemented effective July 1, 1995.

9) Complete Description of the Subjects and Issues Involved: In accordance with P.A. 89-21, these proposed amendments extend provisions for the prevention of spousal impoverishment to persons, who but for the receipt of home and community-based services under Section 4.02 of the Illinois Act on the Aging, would require the level of care provided in a long term care facility and whose spouses reside in the community. The Department on Aging will apply provisions for the prevention of spousal impoverishment in accordance with 89 Ill. Adm. Code 240.810 and 89 Ill. Adm. Code 240.825.

This rulemaking enables individuals eligible for nursing home care who choose instead to receive services under the Home and Community Based Waiver Program administered by the Department on Aging to utilize the same provisions for spousal impoverishment prevention as persons receiving nursing home care. These provisions include transferability of assets and, for MANG clients, deduction from non-SSI income for a Community Spouse Maintenance Needs Allowance and a Family Maintenance Needs Allowance. Without this provision, these individuals would be forced to

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enter nursing home facilities to receive the needed level of care.

10) Are there any Proposed Amendments pending to this Part? Yes

Sections	Proposed Action	Illinois Register Citation
120.60	Amendment	April 21, 1995 (19 Ill. Reg. 5923)
120.80	Amendment	June 30, 1995 (19 Ill. Reg. 8512)
120.379	Amendment	May 19, 1995 (19 Ill. Reg. 6770)
120.386	Amendment	May 19, 1995 (19 Ill. Reg. 6770)
120.387	Amendment	May 19, 1995 (19 Ill. Reg. 6770)

11) Statement of Statewide Policy Objectives: These emergency amendments do not affect units of local government.

12) Information and questions regarding these Emergency Amendments shall be directed to:

Judy Umunna
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third Floor
Springfield, Illinois 62762
(217) 524-3215

The full text of the Emergency Amendments begins on the next page:

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TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 120
MEDICAL ASSISTANCE PROGRAMS

SUBPART A: GENERAL PROVISIONS

SUBPART B: ASSISTANCE STANDARDS

SUBPART C: FINANCIAL ELIGIBILITY DETERMINATION

SUBPART D: SUPPLEMENTARY MEDICAL INSURANCE

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SUBPART E: RECIPIENT RESTRICTION PROGRAM

SUBPART F: MIGRANT MEDICAL PROGRAM

SUBPART G: AID TO THE MEDICALLY INDIGENT

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SUBPART H: MEDICAL ASSISTANCE - NO GRANT

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120.347 Treatment of Trusts
120.350 Lump Sum Payments and Income Tax Refunds
120.355 Protected Income
120.360 Earned Income
120.361 Budgeting Earned Income
120.362 Exempt Earned Income
120.364 Earned Income Exemption
120.366 Exclusion From Earned Income Exemption
120.370 Recognized Employment Expenses
120.371 Income From Work/Study/Training Programs
120.372 Earned Income From Self-Employment
120.373 Earned Income From Roomer and Boarder
120.375 Earned Income In Kind
120.376 Payments from the Illinois Department of Children and Family Services
120.379 Provisions for the Prevention of Spousal Impoverishment
EMERGENCY ~~Assessment of Assets~~
120.380 Assets
120.381 Exempt Assets
120.382 Asset Disregard
120.383 Deferral of Consideration of Assets
120.384 Spend-down of Assets (MANG)
120.385 Property Transfers for Applications Filed Prior to October 1, 1989 (Repealed)
120.386 Property Transfers Occurring On or Before August 10, 1993
EMERGENCY
120.387 Property Transfers Occurring On or After August 11, 1993
EMERGENCY
120.390 Persons Who May Be Included In the Assistance Unit
120.391 Individuals Under Age 18 Who Do Not Qualify For AFDC/AFDC-MANG and Children Born October 1, 1983, or Later
120.392 Pregnant Women Who Would Not Be Eligible For AFDC/AFDC-MANG If The Child Were Already Born Or Who Do Not Qualify As Mandatory Categorically Needy
120.393 Pregnant Women and Children Under Age Eight Years Who Do Not Qualify As Mandatory Categorically Needy Demonstration Project
120.395 Payment Levels for MANG
120.399 Redetermination of Eligibility

TABLE A Value of a Life Estate and Remainder Interest
TABLE B Life Expectancy

AUTHORITY: Implementing Articles III, IV, V, VI and VII and authorized by Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, pars. 3-1 et seq., 4-1 et seq., 5-1 et seq., 6-1 et seq., 7-1 et seq., and 12-13) [305 ILCS 5/Arts. III, IV, V, VI and VII and 12-13].

SOURCE: Filed effective December 30, 1977; peremptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134,

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effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; peremptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; peremptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979, peremptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; peremptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; amended at 4 Ill. Reg. 27, p. 387, effective June 24, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 37, p. 800, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 27, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1134, effective January 26, 1981; peremptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 5 Ill. Reg. 7104, effective June 23, 1981; amended at 5 Ill. Reg. 8041 effective July 27, 1981; amended at 5 Ill. Reg. 8052, effective July 24, 1981; peremptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; peremptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10131, effective October 1, 1981; amended at 5 Ill. Reg. 10730, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 10760, effective October 1, 1981; amended at 5 Ill. Reg. 10767, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; peremptory amendment at 6 Ill. Reg. 611, effective January 1, 1982, amended at 6 Ill. Reg. 1216, effective January 14, 1982; emergency amendment at 6 Ill. Reg. 2447, effective March 1, 1982, for a maximum of 150 days; peremptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; peremptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; peremptory amendment at 6 Ill. Reg. 6912, effective May 20, 1982; emergency amendment at 6 Ill. Reg. 7299, effective June 2, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 8115, effective July 1, 1982; amended at 6 Ill. Reg. 8142, effective July 1, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10970, effective August 26, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12293, effective October 1, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; amended at 7 Ill. Reg. 394, effective

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January 1, 1983; codified at 7 Ill. Reg. 6082; amended at 7 Ill. Reg. 8256, effective July 1, 1983; amended at 7 Ill. Reg. 8264, effective July 5, 1983; amended (by adding section being codified with no substantive change) at 7 Ill. Reg. 14747; amended (by adding sections being codified with no substantive change) at 7 Ill. Reg. 16108; amended at 8 Ill. Reg. 5253, effective April 9, 1984; amended at 8 Ill. Reg. 6770, effective April 27, 1984; amended at 8 Ill. Reg. 13328, effective July 16, 1984; amended (by adding sections being codified with no substantive change) at 8 Ill. Reg. 17897; amended at 8 Ill. Reg. 18903, effective September 26, 1984; peremptory amendment at 8 Ill. Reg. 20706, effective October 3, 1984; amended at 8 Ill. Reg. 25053, effective December 12, 1984; emergency amendment at 9 Ill. Reg. 830, effective January 3, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 4515, effective March 25, 1985; amended at 9 Ill. Reg. 5346, effective April 11, 1985; amended at 9 Ill. Reg. 7153, effective May 6, 1985; amended at 9 Ill. Reg. 11346, effective July 8, 1985; amended at 9 Ill. Reg. 12298, effective July 25, 1985; amended at 9 Ill. Reg. 12823, effective August 9, 1985; amended at 9 Ill. Reg. 15903, effective October 4, 1985; amended at 9 Ill. Reg. 16300, effective October 10, 1985; amended at 9 Ill. Reg. 16906, effective October 18, 1985; amended at 10 Ill. Reg. 1192, effective January 10, 1986; amended at 10 Ill. Reg. 3033, effective January 23, 1986; amended at 10 Ill. Reg. 4907, effective March 7, 1986; amended at 10 Ill. Reg. 6966, effective April 16, 1986; amended at 10 Ill. Reg. 10688, effective June 3, 1986; amended at 10 Ill. Reg. 12672, effective July 14, 1986; amended at 10 Ill. Reg. 15649, effective September 19, 1986; amended at 11 Ill. Reg. 3992, effective February 23, 1987; amended at 11 Ill. Reg. 7652, effective April 15, 1987; amended at 11 Ill. Reg. 8735, effective April 20, 1987; emergency amendment at 11 Ill. Reg. 12458, effective July 10, 1987 for a maximum of 150 days; amended at 11 Ill. Reg. 14034, effective August 14, 1987; amended at 11 Ill. Reg. 14763, effective August 26, 1987; amended at 11 Ill. Reg. 20142, effective January 1, 1988; amended at 11 Ill. Reg. 20898, effective December 14, 1987; amended at 12 Ill. Reg. 904, effective January 1, 1988; amended at 12 Ill. Reg. 3516, effective January 22, 1988; amended at 12 Ill. Reg. 6234, effective March 22, 1988; amended at 12 Ill. Reg. 8672, effective May 13, 1988; amended at 12 Ill. Reg. 9132, effective May 20, 1988; amended at 12 Ill. Reg. 11483, effective June 30, 1988; emergency amendment at 12 Ill. Reg. 11632, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 11839, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12835, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 13243, effective July 29, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 17867, effective October 30, 1988; amended at 12 Ill. Reg. 19704, effective November 15, 1988; amended at 12 Ill. Reg. 20188, effective November 23, 1988; amended at 13 Ill. Reg. 116, effective January 1, 1989; amended at 13 Ill. Reg. 2081, effective February 3, 1989; amended at 13 Ill. Reg. 3908, effective March 10, 1989; emergency amendment at 13 Ill. Reg. 11929, effective July 27, 1989, for a maximum of 150 days; emergency expired November 25, 1989; emergency amendments at 13 Ill. Reg. 12137, effective July 1, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 15404, effective October 6, 1989; emergency amendment at 13 Ill. Reg. 16586, effective October 2, 1989, for a maximum of 150 days; emergency expired

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March 1, 1990; amended at 13 Ill. Reg. 17483, effective October 31, 1989; amended at 13 Ill. Reg. 17838, effective November 8, 1989; amended at 13 Ill. Reg. 18872, effective November 17, 1989; amended at 14 Ill. Reg. 760, effective January 1, 1990; emergency amendment at 14 Ill. Reg. 1494, effective January 2, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 4233, effective March 5, 1990; emergency amendment at 14 Ill. Reg. 5839, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 6372, effective April 16, 1990; amended at 14 Ill. Reg. 7637, effective May 10, 1990; amended at 14 Ill. Reg. 10396, effective June 20, 1990; amended at 14 Ill. Reg. 13227, effective August 6, 1990; amended at 14 Ill. Reg. 14814, effective September 3, 1990; amended at 14 Ill. Reg. 17004, effective September 30, 1990; emergency amendment at 15 Ill. Reg. 348, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 5302, effective April 1, 1991; amended at 15 Ill. Reg. 10101, effective June 24, 1991; amended at 15 Ill. Reg. 11973, effective August 12, 1991; amended at 15 Ill. Reg. 12747, effective August 16, 1991; amended at 15 Ill. Reg.14105, effective September 11, 1991; amended at 15 Ill. Reg. 14240, effective September 23, 1991; amended at 16 Ill. Reg. 139, effective December 24, 1991; amended at 16 Ill. Reg. 1862, effective January 20, 1992; amended at 16 Ill. Reg. 10034, effective June 15, 1992; amended at 16 Ill. Reg. 11582, effective July 15, 1992; amended at 16 Ill. Reg. 17290, effective November 3, 1992; amended at 17 Ill. Reg. 1102, effective January 15, 1993; amended at 17 Ill. Reg. 6827, effective April 21, 1993; amended at 17 Ill. Reg. 10402, effective June 28, 1993; amended at 18 Ill. Reg. 2051, effective January 21, 1994; amended at 18 Ill. Reg. 5934, effective April 1, 1994; amended at 18 Ill. Reg. 8718, effective June 1, 1994; amended at 18 Ill. Reg. 11231, effective July 1, 1994; amended at 19 Ill. Reg. 2905, effective February 27, 1995; emergency amendment at 19 Ill. Reg. 9280, effective July 1, 1995, for a maximum of 150 days.

SUBPART H: MEDICAL ASSISTANCE - NO GRANT

Section 120.379 Provisions for the Prevention of Spousal Impoverishment
EMERGENCY ~~Assessment of Assets~~

~~Provisions for the assessment of assets applies only to a resident of a long term care facility whose spouse resides in the community.~~

a) The provisions for the prevention of spousal impoverishment apply only to a resident of a long term care facility whose spouse resides in the community and to a person who but for the provision of home and community-based services under Section 4.02 of the Illinois Act on the Aging would require the level of care provided in a long term care facility and whose spouse resides in the community.

b) An assessment is completed to determine the total combined amount of nonexempt ~~non-exempt~~ assets of the individual ~~resident~~ and his or her ~~his/her~~ community spouse:

1) when resident begins in a long term care facility or when home and community-based services begin; and

2) when requested by either spouse or a representative acting on

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behalf of either spouse, even if an application for assistance has not been filed.

c)~~b)~~ A reassessment ~~An assessment~~ is not required if ~~a resident of a long term care facility~~:

1) a resident of a long term care facility is discharged for a period of less than 30 days and then reenters the facility; ~~or~~

2) a resident of a long term care facility enters a hospital and then returns to the facility from the hospital; ~~.~~

3) an individual discontinues receiving home and community-based services for a period of less than 30 days; or

4) an individual discontinues receiving home and community-based services due to hospitalization and then is discharged and begins to receive home and community-based services.

d) The transfer of property is allowed, as determined in subsection (b) of this Section, by the client to the community spouse or to another individual for the sole benefit of the community spouse in an amount that does not exceed the Community Spouse Asset Allowance. The Community Spouse Asset Allowance, as of October 1, 1989, is an amount up to but not greater than $60,000 that the individual may transfer, without affecting eligibility, to the community spouse or to another individual for the sole benefit of the community spouse. As of October 1, 1989, the amount of assets an individual may transfer to his or her community spouse is $60,000 minus any nonexempt assets of the community spouse. The amount established as the Community Spouse Asset Allowance shall be provided for calendar years after 1989 by the Department of Health and Human Services. The Community Spouse Asset Allowance is subject to the following qualifiers:

1) The amount of assets sufficient to provide for (the amount of income generated) the Community Spouse Maintenance Needs Allowance as described in subsection (e) of this Section as determined by a fair hearing; or

2) The amount transferred under a court order to the community spouse.

e) Deductions are allowed from the MANG client's non-SSI income for a Community Spouse Maintenance Needs Allowance and a Family Maintenance Needs Allowance for each dependent family member who is living with the community spouse and who does not have enough income to meet his or her needs. Family members include dependent children under age 21, dependent adult children, dependent parents or dependent siblings of either spouse. The amount of deduction is determined as follows:

1) The deduction for the Community Spouse Maintenance Needs Allowance, as of October 1, 1989, is equal to the community spouse maintenance needs standard ($1,500) less any nonexempt monthly income of the community spouse. The amount established as the community spouse maintenance needs standard shall be provided for calendar years after 1989 by the Department of Health and Human Services. The deduction is allowed only to the extent the income of the individual is contributed to the

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community spouse. However, the deduction for the Community Spouse Maintenance Needs Allowance shall not be less than the amount ordered by the court for support of the community spouse or the amount determined as the result of the fair hearing.

2) The deduction for the Family Maintenance Needs Allowance for each dependent family member is equal to one-third of the difference between the family maintenance needs standard (122% of the Federal Poverty Level for two persons as of September 30, 1989, 133% as of July 1, 1991 and 150% as of July 1, 1992) and any nonexempt income of the family member.

(Source: Emergency amendment at 19 Ill. Reg. 9280, effective July 1, 1995, for a maximum of 150 days)

Section 120.386 Property Transfers Occurring On or Before August 10, 1993
EMERGENCY

a) Applicability

1) The provisions for the transfer of property (for example, assets) in this Section only apply to institutionalized persons when the transfer occurs on or before August 10, 1993. An institutionalized person is defined as a resident ~~residents~~ of a long term care facility, including a resident who was living in the community at the time of the transfer, and to individuals who but for provision of home and community-based services under Section 4.02 of the Illinois Act on Aging would require the level of care in a long term care facility. An institutionalized person also includes an individual receiving home and community-based services under Section 4.02 of the Illinois Act on the Aging who was not receiving these services at the time of the transfer ~~facilities who apply for Medicaid on or after October 1, 1989, regardless of the date of the transfer and to residents whose application for Medicaid is filed prior to October 1, 1989, if the transfer occurs on or after October 1, 1989~~.

2) Transfers of property disregarded as a result of payments made by a LongTerm Care Partnership Insurance Policy (as described in 50 Ill. Adm. Code 2018) are not subject to the provisions of subsection (b), (c), and (d) of this Section.

3) The provisions for the transfer of property (for example, assets) in this Section apply to the transfer of property by the institutionalized person's ~~a resident's~~ spouse in the same manner as if the institutionalized person transferred the property ~~when the resident applies for Medicaid on or after June 1, 1991, if the transfer occurs on or after December 20, 1989, and to a resident's spouse when the resident's application for Medicaid is filed prior to June 1, 1991, if the transfer occurs on or after June 1, 1991~~.

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~~4) The provisions for the transfer of property (for example, assets) in this Section do not apply to eligibility determinations for individuals who reside in the community.~~

b) A transfer of assets occurs when an institutionalized person or an institutionalized person's ~~a resident of a long term care facility or the resident's~~ spouse buys, sells or gives away real or personal property or changes (for example, change from joint tenancy to tenancy in common) the way property is held. Changing ownership of property to a life estate interest is an asset transfer (the value of the life estate and remainder interest is determined as described in Section 120.380 and 89 Ill. Adm. Code 113.140). A transfer occurs when an action or actions are taken which would cause an asset or assets not to be received (for example, waiving the right to receive an inheritance).

c) A transfer is allowable if:

1) the transfer occurred more than 30 months before the date of application or more than 30 months before entry into the long term care facility or more than 30 months before receipt of services provided by the Illinois Department on Aging under the In-Home Care Program (as described in Section 140.643);

2) ~~the transfer, by the resident's spouse, occurred prior to December 20, 1989;~~

~~3)~~ a fair market value was received. Fair market value is the price that an article or piece of property might be expected to bring if offered for sale in a fair market. Fair market value is determined by statements obtained from institutions, community members, etc. (for example, bankers, jewelers, reputable realtors, etc.) recognized as having knowledge of property values;

3) ~~4)~~ homestead property was transferred to:

A) a spouse;

B) the individual's child who is under age 21;

C) the individual's child who is blind or permanently and totally disabled;

D) the individual's brother or sister who has an equity interest in the homestead property and who was residing in the home for at least one year immediately prior to the date the individual became institutionalized ~~entered the facility~~; or

E) the individual's child who provided care for the individual and who was residing in the homestead property for two years immediately prior to the date the individual became institutionalized; ~~entered the facility.~~

4) ~~5)~~ The transfer by the institutionalized person ~~resident~~ was to the community spouse or to another individual for the sole benefit of the community spouse and the amount transferred does not exceed the Community Spouse Asset Allowance (as described in Section 120.379); ~~The Community Spouse Asset Allowance, as of October~~

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~~1, 1989, is an amount up to but not greater than $60,000 that the resident may transfer, without affecting eligibility, to the community spouse or to another individual for the sole benefit of the community spouse. As of October 1, 1989, the amount of assets a resident may transfer to his or her community spouse is $60,000 minus any non exempt assets of the community spouse. The amount established as the Community Spouse Asset Allowance shall be increased for calendar years after 1989 by the same percentage as the percentage increase in the consumer price index for all urban consumers. The Community Spouse Asset Allowance is subject to the following qualifiers:~~

~~The amount of assets sufficient to provide (the amount of income generated) the Community Spouse Maintenance Needs Allowance (as described in Section 120.61) as determined by a fair hearing, or~~

~~B) The amount transferred under a court order to the community spouse;~~

5) ~~6)~~ the transfer was to the individual's child who is blind or permanently and totally disabled or to another person for the sole benefit of the individual's child;

6) ~~7)~~ the individual intended to transfer the assets for fair market value;

7) ~~8)~~ it is determined that denial of assistance would create an undue hardship. Examples of undue hardship include, but are not limited to, situations in which:

A) the individual ~~resident~~ is mentally unable to explain how the assets were transferred;

B) the denial of assistance would force the resident to move from the long term care facility; or

C) the individual would be prohibited from joining a spouse in a facility or would prohibit the individual from entering a facility that is within close proximity to his/her family;

8) ~~9)~~ the transfer was made exclusively for a reason other than to qualify for assistance. A transfer for less than fair market value is presumed to have been made to qualify for assistance unless a satisfactory showing is made to the Department that the client or spouse transferred the asset exclusively for a reason other than to qualify for assistance;

9) ~~10)~~ the transfer by the individual ~~resident~~ was to the community spouse and was the result of a court order; or

10) ~~11)~~ the transfer was to an annuity and the expected return on the annuity is commensurate with the estimated life expectancy of the person. In determining the estimated life expectancy of the person, the Department shall use the life expectancy table described in Section 120.Table B.

d) If a transfer or transfers do not meet the provisions of subsection (c), the client ~~resident~~ is subject to a period of ineligibility for long term care services and for services provided by the Illinois

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Department on Aging under the In-Home Care Program (as described in Section 140.643). The penalty period is determined in accordance with subsection (e). If otherwise eligible, clients ~~residents~~ remain entitled to other covered medical services.

e) A separate penalty period is determined for each month in which a transfer or transfers do not meet the provisions of subsection (c). Each penalty period is the lesser of the number of months the total uncompensated amount of the transferred assets would meet the monthly cost of long term care at the ~~(~~private rate~~)-at-the-facility~~ or 30 months.

f) The penalty period begins with the month of the transfer or transfers unless the transfer or transfers occurred during a previous penalty period. If so, the penalty period begins with the month following the month the previous penalty period ends. However, the penalty period cannot exceed 30 months from the month of the transfer or transfers.

(Source: Emergency amendment at 19 Ill. Reg. 9280, effective July 1, 1995, for a maximum of 150 days)

Section 120.387 Property Transfers Occurring On or After August 11, 1993
EMERGENCY

a) The provisions for the transfer of property (for example, assets) listed below only apply to institutionalized persons ~~residents-of-long term-care-facilities,-including--residents--who--were--living--in--the community--at-the-time-of-the-transfer,~~ when the transfer occurs on or after August 11, 1993. An institutionalized person is defined as a resident of a long term care facility, including a resident who was living in the community at the time of the transfer, and to individuals who but for the provision of home and community-based services under Section 4.02 of the Illinois Act on the Aging would require the level of care in a long term care facility. An institutionalized person also includes an individual receiving home and community-based services under Section 4.02 of the Illinois Act on the Aging who was not receiving these services at the time of the transfer.

b) The provisions for the transfer of property (for example, assets) listed below apply to the transfer of property by the institutionalized person's ~~resident's~~ spouse in the same manner as if the institutionalized person ~~resident~~ transferred the property.

c) Transfers of property disregarded as a result of payments made by a Long Term Care Partnership Insurance Policy (as described in 50 Ill. Adm. Code 2018) are not subject to the provisions of this Section. ~~The provisions--for--the-transfer-of-property-(for-example,-assets)-listed below-do-not-apply--to--eligibility--determinations--for--persons--who reside-in-the-community.~~

d) A transfer of assets occurs when an institutionalized person or an institutionalized person's ~~a-resident-of-a-long-term-care-facility--or~~

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~~the--resident's~~ spouse buys, sells or gives away real or personal property or changes (for example, change from joint tenancy to tenancy in common) the way property is held. Changing ownership of property to a life estate interest is an asset transfer (the value of the life estate and remainder interest is determined as described at Section 120.380 and 89 Ill. Adm. Code 113.140). For assets held in joint tenancy, tenancy in common or similar arrangement, a transfer occurs when an action by any person reduces or eliminates the person's ownership or control of the asset. A transfer occurs when an action or actions are taken which would cause an asset or assets not to be received (for example, waiving the right to receive an inheritance).

e) A transfer is allowable if:
   1) depending on the property transferred, the transfer occurred more than either 60 or 36 months before the date of application, or more than either 60 or 36 months before entry into a long term care facility or more than either 60 or 36 months before receipt of services provided by the Illinois Department on Aging under the In-Home Care Program (as described in Section 140.643).
      A) the 60 month period applies to payments from a revocable trust that are not treated as income (as described in Section 120.347) and to portions of an irrevocable trust from which no payments could be made (as described in Section 120.347).
      B) the 36 month period applies to payments from an irrevocable trust that are not treated as income (as described in Section 120.347) and to any other property transfers not identified in this subsection;~~,~~
   2) a fair market value was received. Fair market value is the price that an article or piece of property might be expected to bring if offered for sale in a fair market. Fair market value is determined by statements obtained from institutions, community members, etc. (for example, bankers, jewelers, reputable realtors, etc.) recognized as having knowledge of property values;
   3) homestead property was transferred to:
      A) a spouse;
      B) the person's child who is under age 21;
      C) the person's child who is blind (as described in Section 120.313) or disabled (as described in Section 120.314);
      D) the person's brother or sister who has an equity interest in the homestead property and who was residing in the home for at least one year immediately prior to the date the person became institutionalized ~~entered-the-facility~~; or
      E) the person's child who provided care for the person and who was residing in the homestead property for two years immediately prior to the date the person became institutionalized; ~~entered-the-facility.~~
   4) the transfer by the institutionalized person ~~resident~~ was to the

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community spouse or to another person for the sole benefit of the community spouse and the amount transferred does not exceed the Community Spouse Asset Allowance (as described in Section 120.379); ~~---The--Community-Spouse-Asset-Allowance,-as-of-October 1,-1989,-is-an-amount-up-to-but-not-greater-than-$60,000-that-the resident-may-transfer,--without--affecting--eligibility,--to--the community-spouse-or-to-another-individual-for-the-sole-benefit-of the--community--spouse.---As--of--October--1,-1989,-the-amount-of assets-a-resident-may-transfer-to-his-or-her-community-spouse--is $60,000--minus-any-nonexempt-assets-of-the-community-spouse.--The amount-established-as-the-Community-Spouse-Asset-Allowance--shall be-increased-for-calendar-years-after-1989-by-the-same-percentage as--the--percentage--increase-in-the-consumer-price-index-for-all urban-consumers.--The-Community-Spouse-Asset-Allowance-is-subject to-the-following-qualifiers:~~

~~A) The-amount-of-assets-sufficient-to-provide--(the--amount--of income--generated)--the--Community--Spouse-Maintenance-Needs Allowance-(as-described-in-Section-120.61)-as-determined--by a-fair-hearing;-or~~

~~B) The--amount-transferred-under-a-court-order-to-the-community spouse;~~

5) the transfer from the community spouse was to another person for the sole benefit of the community spouse; ~~or~~

6) the transfer was to the person's child or to a trust established solely for the benefit of the person's child who is blind (as described in Section 120.313) or disabled (as described in Section 120.314) or to another person for the sole benefit of the person's child;

7) the transfer was to a trust established solely for the benefit of a person under age 65 who is disabled (as described in Section 120.314);

8) the person intended to transfer the assets for fair market value;

9) it is determined that denial of assistance would create an undue hardship. Examples of undue hardship include, but are not limited to, situations in which:

A) the individual ~~resident~~ is mentally unable to explain how the assets were transferred;

B) the denial of assistance would force the resident to move from the long term care facility; or

C) the individual would be prohibited from joining a spouse in a facility or would prohibit the individual from entering a facility that is within close proximity to his or her family;

10) the transfer was made exclusively for a reason other than to qualify for assistance. A transfer for less than fair market value is presumed to have been made to qualify for assistance unless a satisfactory showing is made to the Department that the client or spouse transferred the asset exclusively for a reason

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other than to qualify for assistance;

11) the transfer by the client ~~resident~~ was to the community spouse and was the result of a court order; ~~or~~

12) the assets transferred for less than fair market value have been returned to the person; or ~~.~~

13) the transfer was to an annuity and the expected return on the annuity is commensurate with the estimated life expectancy of the person. In determining the estimated life expectancy of the person, the Department shall use the life expectancy table described in Section 120.Table B.

f) If a transfer or transfers do not meet the provisions of subsection (e), the client ~~resident~~ is subject to a period of ineligibility for long term care services and for services provided by the Illinois Department on Aging under the In-Home Care Program (as described in Section 140.643). The penalty period is determined in accordance with subsection (g). If otherwise eligible, clients ~~residents~~ remain entitled to other covered medical services.

g) A separate penalty period is determined for each month in which a transfer or transfers do not meet the provisions of subsection (e). Each penalty period is the number of months equal to the total uncompensated amount of assets transferred during a month divided by the monthly cost of long term care at the ~~(private rate)~~ ~~at the facility~~.

h) The penalty period begins with the month of the transfer or transfers unless the transfer or transfers occurred during a previous penalty period. If so, the penalty period begins with the month following the month the previous penalty period ends.

i) For transfers by the community spouse that result in a penalty period ~~of---ineligibility--for--long--term--care--services~~ as described in subsection (g) and the community spouse becomes an institutionalized person ~~enters--a--long--term--care--facility~~ and is ~~becomes~~ otherwise eligible for assistance, the Department shall divide any remaining penalty period ~~of--ineligibility-for-long-term-care-services~~ equally between the spouses.

(Source: Emergency amendment at 19 Ill. Reg. 9280, effective July 1, 1995, for a maximum of 150 days)

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1) Heading of the Part: Medical Payment

2) Code Citation: 89 Ill. Adm. Code 140

3) Section Numbers: Emergency Action:

140.80	Amendment
140.82	Amendment
140.84	Amendment
140.440	Amendment
140.443	Amendment
140.444	Amendment
140.445	Amendment
140.446	Amendment
140.447	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, par. 12-13) [305 ILCS 5/12-13]

5) Effective Date of Amendments: July 1, 1995

6) If these Emergency Amendments are to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable

7) Date Filed in Agency's Principal Office: July 1, 1995

8) Reason for Emergency:

Sections 140.80 through 140.84

These emergency amendments are being filed pursuant to the Governor's fiscal year 1996 plan and the enactment of the State's budget by the Legislature. The continuance of the provider assessment program for hospitals, facilities for persons with developmental disabilities and nursing homes, is a necessary component of the Department's budget reduction initiatives for fiscal year 1996. Emergency rulemaking is specifically authorized for the implementation of budget reduction initiatives for fiscal year 1996, by Section 10-95 of Public Act 89-21.

Sections 140.440 through 140.447

These emergency amendments are being filed pursuant to the Governor's fiscal year 1996 budget plan and the enactment of the State's budget by the Legislature. Limitations on coverage for pharmacy items is a necessary component of the Department's budget reduction initiatives for fiscal year 1996. Emergency rulemaking is specifically authorized for the implementation of budget reduction initiatives for fiscal year 1996, by Section 10-95 of Public Act 89-21.

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9) Complete Description of the Subjects and Issues Involved:

Sections 140.80 through 140.84

These emergency amendments are being filed in conjunction with the State's budget plan for fiscal year 1996. The changes contained in these amendments pertain to provider assessments for hospitals, long term care facilities for persons with developmental disabilities, and nursing homes. These changes affect the assessment methodology for hospitals, and continue the provider assessment program beyond June 30, 1995. This emergency rulemaking responds to the Governor's budget initiative, which is intended to enable Illinois to continue to maximize federal financing benefits to hospitals, long term care facilities and nursing homes, and thereby ensure the continuance of necessary care and services. These new provisions in the provider assessment program are required by the enactment of the State's budget plan by the Legislature and Public Act 89-21.

Amendments are also being made to Section 140.80 to comply with Public Act 88-554, which created the University of Illinois Fund. These changes affect hospitals organized under the University of Illinois Hospital Act which are exempt from the provider assessments imposed by Section 140.80. Previously, the interagency agreement between the Department and such hospitals provided for intergovernmental transfer payments to the Department which were deposited into the State's General Revenue Fund. Because of Public Act 88-554, intergovernmental transfer payments from the University of Illinois Hospital are to be deposited into the University of Illinois Fund.

Other changes are being made to Sections 140.80, 140.82 and 140.84 to accommodate calendar changes from one fiscal year to another. The provider assessment program described in these Sections was initially effective for fiscal year 1994, and dates specified in the rules as due dates for the Department's receipt of assessment payments and delayed payment requests from providers, are no longer accurate. Therefore, the rules are being revised to indicate that providers will be notifed in writing by the Department of applicable dates for each fiscal year.

In Section 140.84, changes are being made to clarify that only skilled nursing and intermediate care licensed beds in nursing homes are subject to payment responsibility under the provider assessment program. Beds in nursing homes which are specifically designated for sheltered care purposes are not subject to assessments.

Other amendments exempt facilities operated by the Department of Mental Health and Developmental Disabilities (DMHDD) from assessment responsibility. These amendments in Section 140.80, correspond to emergency rulemakings, effective March 1, 1995, at 89 Ill. Adm. Code 148

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and Section 140.80, enabling Illinois to maximize federal financing benefits to hospitals as permitted by the State's federal disproportionate share (DSH) spending limitations. Facilities operated by DMHDD are eligible to qualify for DSH hospital payment adjustments. Changes are necessary in Section 140.80, to exempt DMHDD facilities from the hospital assessment program. Since the Department assesses hospitals to increase State revenue, taxing another State entity would simply transfer funds from one State entity to another, with no net increase in revenue. DMHDD facilities are now considered to be providers of hospital services which qualify for DSH adjustments, and must be specifically exempted from the hospital assessments imposed under Section 140.80.

In fiscal year 1995, the provider assessment program generated approximately $689.7 million in spending ($355.4 million in assessments and $334.3 million in federal matching funds). These emergency amendments will have a significant budgetary impact upon the Department, because if the assessment program concludes on June 30, 1995, the expected loss of revenue for fiscal year 1996 will be approximately $738.8 million ($380.7 million in assessments and $358.1 million in federal matching funds).

Sections 140.440 through 140.447

These proposed amendments are being filed in conjunction with the State's budget plan for fiscal year 1996, by providing certain cost containment measures in some areas of the Department's pharmacy program. The initiatives contained in these amendments are necessary to control costs associated with pharmacy services covered by the Department, and thereby meet restrictions imposed by the new budget plan.

The Department is changing the method for calculating the maximum reimbursement amount for legend drugs. Reimbursement will continue to be provided for the lesser of the pharmacy charge to the general public, or the calculated maximum reimbursement amount. The revisions affecting calculation of the maximum reimbursement amount differ for brand name and generic drugs. For brand name drugs, the Department's calculation of the dispensing fee component of the maximum reimbursement amount is being reduced by 28 cents per prescription item. The calculation of the acquisition cost component for the maximum reimbursement of generic drugs will be the lower of the average wholesale price minus 12 percent, the Federal Upper Limit, or the State Upper Limit.

The Department estimates that the reduction in overall spending for pharmacy services, resulting from these proposed reimbursement changes, will be approximately $2.3 million for fiscal year 1996.

10) Are there any Proposed Amendments pending to this Part? Yes

Sections	Proposed Action	Illinois Register Citation

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140.3	Amendment	June 23, 1995 (19 Ill. Reg. 8066)
140.5	Amendment	June 23, 1995 (19 Ill. Reg. 8066)
140.27	Amendment	May 5, 1995 (19 Ill. Reg. 6268)
140.80	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.80	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.82	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.82	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.84	Amendment	March 17, 1995 (19 Ill. Reg. 3248)
140.84	Amendment	March 24, 1995 (19 Ill. Reg. 4337)
140.461	Amendment	June 16, 1995 (19 Ill. Reg. 7806)
140.642	Amendment	April 14, 1995 (19 Ill. Reg. 5397)

11) Statement of Statewide Policy Objectives: These emergency amendments do not affect units of local government.

12) Information and questions regarding these Emergency Amendments shall be directed to:

Name: Joanne Jones
Address: Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third Floor
Springfield, Illinois 62762
Telephone: (217) 524-3215

The full text of the Emergency Amendments begins on the next page:

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NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER d: MEDICAL PROGRAMS

PART 140
MEDICAL PAYMENT

SUBPART A: GENERAL PROVISIONS

Section

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section

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NOTICE OF EMERGENCY AMENDMENTS

SUBPART C: PROVIDER ASSESSMENTS

Section

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SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

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SUBPART E: GROUP CARE

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SUBPART F: MEDICAID PARTNERSHIP PROGRAM

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(Recodified)

SUBPART G: HEALTHY MOMS/HEALTHY KIDS PROGRAM

SUBPART H: ILLINOIS COMPETITIVE ACCESS AND REIMBURSEMENT EQUITY (ICARE) PROGRAM

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140.968 Validity of Contracts (Recodified)
140.970 Termination of ICARE Contracts (Recodified)
140.972 Hospital Services Procurement Advisory Board (Recodified)

TABLE A Medichek Recommended Screening Procedures (Repealed)
TABLE B Health Service Areas
TABLE C Capital Cost Areas
TABLE D Schedule of Dental Procedures
TABLE E Time Limits for Processing of Prior Approval Requests
TABLE F Podiatry Service Schedule
TABLE G Travel Distance Standards
TABLE H Areas of Major Life Activity
TABLE I Staff Time and Allocation for Training Programs (Recodified)
TABLE J HSA Grouping (Repealed)
TABLE K Services Qualifying for 10% Add-On (Repealed)
TABLE L Services Qualifying for 10% Add-On to Surgical Incentive Add-On (Repealed)
TABLE M Enhanced Rates for Healthy Moms/Healthy Kids Provider Services

AUTHORITY: Implementing Article III of the Illinois Health Finance Reform Act (Ill. Rev. Stat. 1991, ch. 111 1/2, par. 6503-1 et seq.) [20 ILCS 2215/Art. III] and implementing and authorized by Articles III, IV, V, VI, VII and Section 12-13 of the Illinois Public Aid Code (Ill. Rev. Stat. 1991, ch. 23, pars. 3-1 et seq., 4-1 et seq., 5-1 et seq., 6-1 et seq., 7-1 et seq., and 12-13) [305 ILCS 5/Arts. III, IV, V, VI, VII and 12-13].

SOURCE: Adopted at 3 Ill. Reg. 24, p. 166, effective June 10, 1979; rule repealed and new rule adopted at 6 Ill. Reg. 8374, effective July 6, 1982; emergency amendment at 6 Ill. Reg. 8508, effective July 6, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 681, effective December 30, 1982; amended at 7 Ill. Reg. 7956, effective July 1, 1983; amended at 7 Ill. Reg. 8308, effective July 1, 1983; amended at 7 Ill. Reg. 8271, effective July 5, 1983; emergency amendment at 7 Ill. Reg. 8354, effective July 5, 1983, for a maximum of 150 days; amended at 7 Ill. Reg. 8540, effective July 15, 1983; amended at 7 Ill. Reg. 9382, effective July 22, 1983; amended at 7 Ill. Reg. 12868, effective September 20, 1983; peremptory amendment at 7 Ill. Reg. 15047, effective October 31, 1983; amended at 7 Ill. Reg. 17358, effective December 21, 1983; amended at 8 Ill. Reg. 254, effective December 21, 1983; emergency amendment at 8 Ill. Reg. 580, effective January 1, 1984, for a maximum of 150 days; codified at 8 Ill. Reg. 2483; amended at 8 Ill. Reg. 3012, effective February 22, 1984; amended at 8 Ill. Reg. 5262, effective April 9, 1984; amended at 8 Ill. Reg. 6785, effective April 27, 1984; amended at 8 Ill. Reg. 6983, effective May 9, 1984; amended at 8 Ill. Reg. 7258, effective May 16, 1984; emergency amendment at 8 Ill. Reg. 7910, effective May 22, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 7910, effective June 1, 1984; amended at 8 Ill. Reg. 10032, effective June 18, 1984; emergency amendment at 8 Ill. Reg. 10062, effective June 20, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 13343, effective July 17, 1984; amended at 8 Ill. Reg. 13779,

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effective July 24, 1984; Sections 140.72 and 140.73 recodified to 89 Ill. Adm. Code 141 at 8 Ill. Reg. 16354; amended (by adding sections being codified with no substantive change) at 8 Ill. Reg. 17899; peremptory amendment at 8 Ill. Reg. 18151, effective September 18, 1984; amended at 8 Ill. Reg. 21629, effective October 19, 1984; peremptory amendment at 8 Ill. Reg. 21677, effective October 24, 1984; amended at 8 Ill. Reg. 22097, effective October 24, 1984; peremptory amendment at 8 Ill. Reg. 22155, effective October 29, 1984; amended at 8 Ill. Reg. 23218, effective November 20, 1984; emergency amendment at 8 Ill. Reg. 23721, effective November 21, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 25067, effective December 19, 1984; emergency amendment at 9 Ill. Reg. 407, effective January 1, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 2697, effective February 22, 1985; amended at 9 Ill. Reg. 6235, effective April 19, 1985; amended at 9 Ill. Reg. 8677, effective May 28, 1985; amended at 9 Ill. Reg. 9564, effective June 5, 1985; amended at 9 Ill. Reg. 10025, effective June 26, 1985; emergency amendment at 9 Ill. Reg. 11403, effective June 27, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 11357, effective June 28, 1985; amended at 9 Ill. Reg. 12000, effective July 24, 1985; amended at 9 Ill. Reg. 12306, effective August 5, 1985; amended at 9 Ill. Reg. 13998, effective September 3, 1985; amended at 9 Ill. Reg. 14684, effective September 13, 1985; amended at 9 Ill. Reg. 15503, effective October 4, 1985; amended at 9 Ill. Reg. 16312, effective October 11, 1985; amended at 9 Ill. Reg. 19138, effective December 2, 1985; amended at 9 Ill. Reg. 19737, effective December 9, 1985; amended at 10 Ill. Reg. 238, effective December 27, 1985; emergency amendment at 10 Ill. Reg. 798, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 672, effective January 6, 1986; amended at 10 Ill. Reg. 1206, effective January 13, 1986; amended at 10 Ill. Reg. 3041, effective January 24, 1986; amended at 10 Ill. Reg. 6981, effective April 16, 1986; amended at 10 Ill. Reg. 7825, effective April 30, 1986; amended at 10 Ill. Reg. 8128, effective May 7, 1986; emergency amendment at 10 Ill. Reg. 8912, effective May 13, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 11440, effective June 20, 1986; amended at 10 Ill. Reg. 14714, effective August 27, 1986; amended at 10 Ill. Reg. 15211, effective September 12, 1986; emergency amendment at 10 Ill. Reg. 16729, effective September 18, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 18808, effective October 24, 1986; amended at 10 Ill. Reg. 19742, effective November 12, 1986; amended at 10 Ill. Reg. 21784, effective December 15, 1986; amended at 11 Ill. Reg. 698, effective December 19, 1986; amended at 11 Ill. Reg. 1418, effective December 31, 1986; amended at 11 Ill. Reg. 2323, effective January 16, 1987; amended at 11 Ill. Reg. 4002, effective February 25, 1987; Section 140.71 recodified to 89 Ill. Adm. Code 141 at 11 Ill. Reg. 4302; amended at 11 Ill. Reg. 4303, effective March 6, 1987; amended at 11 Ill. Reg.7664, effective April 15, 1987; emergency amendment at 11 Ill. Reg. 9342, effective April 20, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 9169, effective April 28, 1987; amended at 11 Ill. Reg. 10903, effective June 1, 1987; amended at 11 Ill. Reg. 11528, effective June 22, 1987; amended at 11 Ill. Reg. 12011, effective June 30, 1987; amended at 11 Ill. Reg. 12290, effective July 6, 1987; amended at 11 Ill. Reg. 14048, effective August 14, 1987; amended at 11 Ill. Reg. 14771, effective August 25, 1987; amended at 11

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Ill. Reg. 16758, effective September 28, 1987; amended at 11 Ill. Reg. 17295, effective September 30, 1987; amended at 11 Ill. Reg. 18696, effective October 27, 1987; amended at 11 Ill. Reg. 20909, effective December 14, 1987; amended at 12 Ill. Reg. 916, effective January 1, 1988; emergency amendment at 12 Ill. Reg. 1960, effective January 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 5427, effective March 15, 1988; amended at 12 Ill. Reg. 6246, effective March 16, 1988; amended at 12 Ill. Reg. 6728, effective March 22, 1988; Sections 140.900 thru 140.912 and 140.Table H and 140.Table I recodified to 89 Ill. Adm. Code 147.5 thru 147.205 and 147.Table A and 147.Table B at 12 Ill. Reg. 6956; amended at 12 Ill. Reg. 6927, effective April 5, 1988; Sections 140.940 thru 140.972 recodified to 89 Ill. Adm. Code 149.5 thru 149.325 at 12 Ill. Reg. 7401; amended at 12 Ill. Reg. 7695, effective April 21, 1988; amended at 12 Ill. Reg. 10497, effective June 3, 1988; amended at 12 Ill. Reg. 10717, effective June 14, 1988; emergency amendment at 12 Ill. Reg. 11868, effective July 1, 1998, for a maximum of 150 days; amended at 12 Ill. Reg. 12509, effective July 15, 1988; amended at 12 Ill. Reg. 14271, effective August 29, 1988; emergency amendment at 12 Ill. Reg. 16921, effective September 28, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 16738, effective October 5, 1988; amended at 12 Ill. Reg. 17879, effective October 24, 1988; amended at 12 Ill. Reg. 18198, effective November 4, 1988; amended at 12 Ill. Reg. 19396, effective November 6, 1988; amended at 12 Ill. Reg. 19734, effective November 15, 1988; amended at 13 Ill. Reg. 125, effective January 1, 1989; amended at 13 Ill. Reg. 2475, effective February 14, 1989; amended at 13 Ill. Reg. 3069, effective February 28, 1989; amended at 13 Ill. Reg. 3351, effective March 6, 1989; amended at 13 Ill. Reg. 3917, effective March 17, 1989; amended at 13 Ill. Reg. 5115, effective April 3, 1989; amended at 13 Ill. 5718, effective April 10, 1989; amended at 13 Ill. Reg. 7025, effective April 24, 1989; Sections 140.850 thru 140.896 recodified to 89 Ill. Adm. Code 146.5 thru 146.225 at 13 Ill. Reg. 7040; amended at 13 Ill. Reg. 7786, effective May 20, 1989; Sections 140.94 thru 140.398 recodified to 89 Ill. Adm. Code 148.10 thru 148.390 at 13 Ill. Reg. 9572; emergency amendment at 13 Ill. Reg. 10977, effective July 1, 1989, for a maximum of 150 days; emergency expired November 28, 1989; amended at 13 Ill. Reg. 11516, effective July 3, 1989; amended at 13 Ill. Reg. 12119, effective July 7, 1989; Section 140.110 recodified to 89 Ill. Adm. Code 148.120 at 13 Ill. Reg. 12118; amended at 13 Ill. Reg. 12562, effective July 17, 1989; amended at 13 Ill. Reg. 14391, effective August 31, 1989; emergency amendment at 13 Ill. Reg. 15473, effective September 12, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 16992, effective October 16, 1989; amended at 14 Ill. Reg. 190, effective December 21, 1989; amended at 14 Ill. Reg. 2564, effective February 9, 1990; emergency amendment at 14 Ill. Reg. 3241, effective February 14, 1990, for a maximum of 150 days; emergency expired July 14, 1990; amended at 14 Ill. Reg. 4543, effective March 12, 1990; emergency amendment at 14 Ill. Reg. 4577, effective March 6, 1990, for a maximum of 150 days; emergency expired August 3, 1990; emergency amendment at 14 Ill. Reg. 5575, effective April 1, 1990, for a maximum of 150 days; emergency expired August 29, 1990; emergency amendment at 14 Ill. Reg. 5865, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 7141, effective April 27, 1990; emergency amendment at 14 Ill. Reg. 7249,

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effective April 27, 1990; emergency amendment at 14 Ill. Reg. 7249, effective April 27, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 10062, effective June 12, 1990; amended at 14 Ill. Reg. 10409, effective June 19, 1990; emergency amendment at 14 Ill. Reg. 12082, effective July 5, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 13262, effective August 6, 1990; emergency amendment at 14 Ill. Reg. 14184, effective August 16, 1990, for a maximum of 150 days; emergency amendment at 14 Ill. Reg. 14570, effective August 22, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14826, effective August 31, 1990; amended at 14 Ill. Reg. 15366, effective September 12, 1990; amended at 14 Ill. Reg. 15981, effective September 21, 1990; amended at 14 Ill. Reg. 17279, effective October 12, 1990; amended at 14 Ill. Reg. 18057, effective October 22, 1990; amended at 14 Ill. Reg. 18508, effective October 30, 1990; amended at 14 Ill. Reg. 18813, effective November 6, 1990; amended at 14 Ill. Reg. 20478, effective December 7, 1990; amended at 14 Ill. Reg. 20729, effective December 12, 1990; amended at 15 Ill. Reg. 298, effective December 28, 1990; emergency amendment at 15 Ill. Reg. 592, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 1051, effective January 18, 1991; Section 140.569 withdrawn at 15 Ill. Reg. 1174; amended at 15 Ill. Reg. 6220, effective April 18, 1991; amended at 15 Ill. Reg. 6534, effective April 30, 1991; amended at 15 Ill. Reg. 8264, effective May 23, 1991; amended at 15 Ill. Reg. 8972, effective June 17, 1991; amended at 15 Ill. Reg. 10114, effective June 21, 1991; amended at 15 Ill. Reg. 10468, effective July 1, 1991; amended at 15 Ill. Reg. 11176, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 11515, effective July 25, 1991, for a maximum of 150 days; emergency expired December 22, 1991; emergency amendment at 15 Ill. Reg. 12919, effective August 15, 1991, for a maximum of 150 days; emergency expired January 12, 1992; emergency amendment at 15 Ill. Reg. 16366, effective October 22, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 17318, effective November 18, 1991; amended at 15 Ill. Reg. 17733, effective November 22, 1991; emergency amendment at 16 Ill. Reg. 300, effective December 20, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 174, effective December 24, 1991; amended at 16 Ill. Reg. 1877, effective January 24, 1992; amended at 16 Ill. Reg. 3552, effective February 28, 1992; amended at 16 Ill. Reg. 4006, effective March 6, 1992; amended at 16 Ill. Reg. 6408, effective March 20, 1992; amended at 16 Ill. Reg. 6849, effective April 7, 1992; amended at 16 Ill. Reg. 7017, effective April 17, 1992; amended at 16 Ill. Reg. 10050, effective June 5, 1992; amended at 16 Ill. Reg. 11174, effective June 26, 1992; expedited correction at 16 Ill. Reg. 11348, effective March 20, 1992; emergency amendment at 16 Ill. Reg. 11947, effective July 10, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 12186, effective July 24, 1992; emergency amendment at 16 Ill. Reg. 13337, effective August 14, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 15109, effective September 21, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 15561, effective September 30, 1992; amended at 16 Ill. Reg. 17302, effective November 2, 1992; emergency amendment at 16 Ill. Reg. 18097, effective November 17, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19146, effective December 1, 1992; amended at 16 Ill. Reg. 19879, effective December 7, 1992; amended at 17 Ill. Reg. 837, effective January 11, 1993; amended at 17 Ill. Reg. 1112, effective January 15,

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1993; amended at 17 Ill. Reg. 2290, effective February 15, 1993; amended at 17 Ill. Reg. 2951, effective February 17, 1993; amended at 17 Ill. Reg. 3421, effective February 19, 1993; amended at 17 Ill. Reg. 6196, effective April 5, 1993; amended at 17 Ill. Reg. 6839, effective April 21, 1993; amended at 17 Ill. Reg. 7004, effective May 17, 1993; expedited correction at 17 Ill. Reg. 7078, effective December 1, 1992; emergency amendment at 17 Ill. Reg. 11201, effective July 1, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 15162, effective September 2, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 18152, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 18571, effective October 8, 1993; emergency amendment at 17 Ill. Reg. 18611, effective October 1, 1993, for a maximum of 150 days; emergency amendment suspended effective October 12, 1993; amended at 17 Ill. Reg. 20999, effective November 24, 1993; emergency amendment repealed at 17 Ill. Reg. 22583, effective December 20, 1993; amended at 18 Ill. Reg. 3620, effective February 28, 1994; amended at 18 Ill. Reg. 4250, effective March 4, 1994; amended at 18 Ill. Reg. 5951, effective April 1, 1994; emergency amendment at 18 Ill. Reg. 10922, effective July 1, 1994, for a maximum of 150 days; emergency amendment suspended, effective November 15, 1994; emergency amendment repealed at 19 Ill. Reg. 5839, effective April 4, 1995; amended at 18 Ill. Reg. 11244, effective July 1, 1994; amended at 18 Ill. Reg. 14126, effective August 29, 1994; amended at 18 Ill. Reg. 16675, effective November 1, 1994; amended at 18 Ill. Reg. 18059, effective December 19, 1994; amended at 19 Ill. Reg. 1082, effective January 20, 1995; amended at 19 Ill. Reg. 2933, effective March 1, 1995; emergency amendment at 19 Ill. Reg. 3529, effective March 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 5663, effective April 1, 1995; amended at 19 Ill. Reg. 7919, effective June 5, 1995; amended at 19 Ill. Reg. 8455, effective June 9, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days.

SUBPART C: PROVIDER ASSESSMENTS

Section 140.80 Hospital Provider Fund
EMERGENCY

a) Purpose and Contents
   1) The Hospital Provider Fund ("Fund") was created in the State Treasury upon enactment of Public Act 87-861, ~~and by~~ Public Act 88-88 and Public Act 89-21. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any funds appropriated to the Medicaid program by the General Assembly.
   2) The Fund is created for the purpose of receiving and disbursing monies in accordance with this Section and Public Act 87-861, as amended by Public Act 88-88 and Public Act 89-21.
   3) The Fund shall consist of:
      A) All monies collected or received by the Department under subsection (b) below;

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      B) All federal matching funds received by the Department as a result of expenditures made by the Department that are attributable to monies deposited in the Fund;
      C) Any interest or penalty levied in conjunction with the administration of the Fund;
      D) All other monies received for the Fund from any other source, including interest earned thereon;
      E) All monies transferred from the Hospital Services Trust Fund; and
      F) All monies transferred from the Tobacco Products Tax Act.

b) Provider Assessments
   Effective July 1, 1994, ~~Beginning on July 1, 1993, and ending on June 30, 1994,~~ an assessment is imposed upon each hospital provider in an amount equal to 1.88 percent ~~%~~ of the provider's adjusted gross hospital revenue, as described in subsection (1)(1) of this Section, for the most recent calendar year ending before the beginning of that State fiscal year. ~~An assessment is imposed upon each hospital provider for the fiscal year beginning on July 1, 1994, and ending on June 30, 1995, in an amount equal to the provider's adjusted gross hospital revenue, as described in subsection (1)(1) of this Section, for the most recent calendar year ending before the beginning of that State fiscal year~~ multiplied by the Provider's Savings Rate, as described in subsection (1)(10) of this Section. Effective July 1, 1995, and ending on June 30, 1997, the Provider's Savings Rate is 1.25 percent multiplied by a fraction, the numerator of which is the Maximum Section 5A-2 Contribution minus the Cigarette Tax Contribution and the denominator of which is the Maximum Section 5A-2 Contribution. The Department reserves the right to audit the reported data. The Department shall notify hospital providers of the Provider's Savings Rate by mailing a notice to each provider's last known address as reflected by the records of the Department.

c) Payment of Assessment Due
   1) The assessments imposed in subsection (b) above shall be due and payable in quarterly installments, each equalling one-fourth of the assessment for the year, on September 30, December 31, March 31, and May 31 of the year, modified to accommodate weekends and holidays. Providers will be notified, in writing, of the quarterly due dates. Assessment payments postmarked on the due date will be considered as paid on time.
   2) All payments received by the Department shall be credited first to unpaid installment amounts (rather than to penalty or interest), beginning with the most delinquent installments.

d) Reporting Requirements, Penalty, and Maintenance of Records
   1) After December 31 of each year, and on or before March 31 of the succeeding year, every hospital provider subject to an assessment under subsection (b) above shall file a report with the Department. The report shall be on a form prepared by the Department. The report shall include the adjusted gross hospital

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revenue from the calendar year just ended and shall be utilized by the Department to calculate the assessment for the State fiscal year commencing on the next July 1. If a hospital provider conducts, operates, or maintains more than one hospital licensed by the Illinois Department of Public Health, a separate report shall be filed for each hospital. In the case of a hospital provider existing as a corporation or legal entity other than an individual, the report filed by it shall be signed by its president, vice-president, secretary, or treasurer or by its properly authorized agent.

2) If the hospital provider fails to file its report for a State fiscal year on or before the due date of the report, there shall be, unless waived by the Department for reasonable cause, added to the assessment imposed in subsection (b) above a penalty assessment equal to 25 percent % of the assessment imposed for the year.

3) Every hospital provider subject to an assessment under subsection (b) above shall keep records and books that will permit the determination of adjusted gross hospital revenue on a calendar year basis. All such books and records shall be maintained for a minimum of three years following the filing date of the assessment report and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees.

4) Amended Assessment Reports. With the exception of amended assessment reports filed in accordance with subsections (d)(5) or (6) below, an amended assessment report must be filed within 30 calendar days of the original report due date. The amended report must be accompanied by a letter identifying the changes and the justification for the amended report. The provider will be advised of any adjustments to the original annual assessment amount through written notification from the Department. Penalties may be applied to the amount underpaid due to a filing error.

5) Submission of Financial Audit Statements. All hospital providers are required to submit a copy of all financial statements audited by an external, independent auditor, to the Department within 30 days after the close of such externally performed financial audits. If the hospital's year end does not coincide with the December 31 ending date for the assessment report, the hospital must submit all financial audits covering the assessment report period. An amended assessment report must accompany such external financial audit statements if the data submitted on the initial assessment report changes based upon the findings of such external financial audits and as indicated in the audited external financial statements. Penalties may be applied to the amount underpaid due to a filing error.

6) Reconsideration of Adjusted Assessment. If the Department,

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through an audit conducted by the Department or its agent within three years after the end of the fiscal year in which the assessment was due, changes the assessment liability of a hospital provider, the hospital provider may request a review or reconsideration of the adjusted assessment within 30 days after the Department's notification of the change in assessment liability. Requests for reconsideration of the assessment adjustment shall not be considered if such requests are not postmarked on or before the end of the 30 day review period. Penalties may be applied to the amount underpaid due to a filing error.

e) Procedure for Partial Year Reporting/Operating Adjustments

1) Cessation of business during the fiscal year in which the assessment is being paid. If a hospital provider ceases to conduct, operate, or maintain a hospital for which the person is subject to assessment under subsection (b) above, the assessment for the State fiscal year in which the cessation occurs shall be adjusted by multiplying the assessment computed under subsection (d) by a fraction, the numerator of which is the number of days in the year during which the provider conducts, operates, or maintains the hospital and the denominator of which is 365. The person shall file a final, amended report with the Department not more than 30 calendar days after the cessation, reflecting the adjustment, and shall pay with the final return the assessment for the year as so adjusted, to the extent not previously paid.

2) Commencing of business during the fiscal year in which the assessment is being paid. A hospital provider who commences conducting, operating, or maintaining a hospital for which the person is subject to assessment under subsection (b) above, shall file an initial report for the State fiscal year in which the commencement occurs within 30 calendar days thereafter and shall pay the assessment under subsection (d) above as computed by the Department in equal installments on the due date of the initial assessment determination and on the regular installment due dates for the State fiscal year occurring after the due date of the initial assessment determination. In determining the annual assessment amount for the provider the Department shall develop hypothetical annualized revenue projections based upon geographic location, facility size and patient case mix. The assessment determination made by the Department is final.

3) Partial Calendar Year Operation Adjustment. For a hospital provider that did not conduct, operate, or maintain a hospital throughout the entire calendar year reporting period, the assessment for the following State fiscal year shall be annualized based on the provider's actual revenues for the portion of the reporting period the hospital was operational (dividing adjusted gross hospital revenue by the number of days the hospital was in operation and then multiplying the amount by

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365). Revenues realized by a prior provider from the same hospital during the calendar year shall be used in the annualization equation, if available.

4) Change in Ownership and/or Operations. The full quarterly assessment must be paid on the designated due dates regardless of changes in ownership or operators. Liability for the payment of the assessment amount (including past due assessments and any interest or penalties that may have accrued against the amount) rest on the hospital provider currently operating or maintaining the hospital regardless if these amounts were incurred by the current owner or were incurred by previous owners. Collection of delinquent assessment fees from previous providers will be made against the current provider. Failure of the current provider to pay any outstanding assessment liability incurred by previous providers shall result in the application of penalties described in subsection (f)(1) of this Section.

f) Penalties

1) Any hospital that fails to pay the full amount of an installment when due shall be charged, unless waived by the Department for reasonable cause, a penalty equal to five percent 5% of the amount of the installment not paid on or before the due date, plus five percent 5% of the portion thereof remaining unpaid on the last day of each month thereafter, not to exceed 100 percent % of the installment amount not paid on or before the due date.

2) Within 45 days from the due date, the Department may begin recovery actions against delinquent hospitals participating in the Medicaid Program. Payments may be withheld from the hospital until the entire assessment, including any penalties, is satisfied or until a reasonable repayment schedule has been approved by the Department. If a reasonable agreement cannot be reached or if a hospital fails to comply with an agreement, the Department reserves the right to recover any outstanding provider assessment, interest and penalty by recouping the amount or a portion thereof from the hospital's future payments from the Department. The provider may appeal this recoupment in accordance with Department rules contained in 89 Ill. Adm. Code 104. The Department has the right to continue recoupment during the appeal process. Penalties pursuant to subsection (f)(1) above will continue to accrue during the recoupment process. Recoupment proceedings against the same hospital two times in a fiscal year may be cause for termination from the Program. Failure by the Department to initiate recoupment activities within 45 days shall not reduce the provider's liabilities nor shall it preclude the Department from taking action at a later date.

3) If the hospital does not participate in the Medicaid Program, or is no longer doing business with the Department, or the Department cannot recover the full amount due through the claims

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processing system, within three months after the fee due date, the Department may begin legal action to recover the monies, including penalties and interest owed, plus court costs.

g) Delayed Payment - Groups of Hospitals

The Director may establish delayed payment of assessments and/or waive the payment of interest and penalties for groups of hospitals such as disproportionate share hospitals or all other hospitals when:

1) the State delays payments to hospitals due to problems related to State cash flow, or

2) a cash flow bond pool's, or any other group financing plans', requests from providers for loans are in excess of its scheduled proceeds such that a significant number of hospitals will be unable to obtain a loan to pay the assessment.

h) Delayed Payment - Individual Hospitals

In addition to the provisions of subsection (g) above, the Director may delay assessments for individual hospitals that are unable to make timely payments under this Section due to financial difficulties. No delayed payment arrangements shall extend beyond the last business day of the calendar quarter following the quarter in which the assessment was to have been received by the Department as described in subsection (c) above.

1) Criteria. Delayed payment provisions may be instituted only under extraordinary circumstances. Delayed payment provisions may be made only to qualified hospitals who meet all of the following requirements:

A) the provider has experienced an emergency which necessitates institution of delayed payment provisions. Emergency in this instance is defined as a circumstance under which institution of the payment and penalty provisions described in subsections (c)(1), (c)(2), (f)(1) and (f)(2) above would impose severe and irreparable harm to the clients served. Circumstances which may create such emergencies include, but are not limited to, the following:

i) Department system errors (either automated system or clerical) which have precluded payments, or which have caused erroneous payments such that the provider's ability to provide further services to clients is severely impaired;

ii) cash flow problems encountered by a provider which are unrelated to Department technical system problems and which result in extensive financial problems to a facility, adversely impacting on its ability to serve its clients.

B) the provider serves a significant number of clients under the medical assistance program. "Significant" in this instance means:

i) a hospital that serves a significant number of clients under the medical assistance program; significant in

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this instance means that the hospital qualifies as a disproportionate share hospital under 89 Ill. Adm. Code 148.120(a)(1) through 148.120(a)(5); or qualifies as a Medicare DSH hospital under the current federal guidelines.

ii) a government-owned facility, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above.

iii) a hospital which has filed for Chapter 11 bankruptcy, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above.

C) the provider must file a delay of payment request as defined under subsection (h)(3)(A) below, and the request must include a Cash Position Statement which is based upon current assets, current liabilities and other data for a date which is less than 60 days prior to the date of filing. Any liabilities payable to owners or related parties must not be reported as current liabilities on the Cash Position Statement. A deferral of assessment payments will be denied if any of the following criteria are met:

i) the ratio of current assets divided by current liabilities is greater than 2.0.

ii) cash, short term investments and long term investments equal or exceed the total of accrued wages payable and the assessment payment. Long term investments which are unavailable for expenditure for current operations due to donor restrictions or contractual requirements will not be used in this calculation.

D) the provider must show evidence of denial of an application to borrow assessment funds through a cash flow bond pool or financial institution such as a commercial bank. The denial must be 90 days old or less.

E) the provider must sign an agreement with the Department which specifies the terms and conditions of the delayed payment provisions. The agreement shall contain the following provisions:

i) specific reason(s) for institution of the delayed payment provisions;

ii) specific dates on which payments must be received and the amount of payment which must be received on each specific date described;

iii) the interest or a statement of interest waiver as described in subsection (h)(5) that shall be due from the provider as a result of institution of the delayed payment provisions;

iv) a certification stating that, should the entity be sold, the new owners will be made aware of the liability and any agreement selling the entity will include provisions that the new owners will assume

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responsibility for repaying the debt to the Department according to the original agreement; ~~and~~

v) a certification stating that all information submitted to the Department in support of the delayed payment request is true and accurate to the best of the signature's knowledge; ~~and~~

vi) such other terms and conditions that may be required by the Department.

2) A hospital which does not meet the above criteria may request a delayed payment schedule and/or the waiver of interest and penalties. The Director may approve the request, notwithstanding the hospital not meeting the above criteria, upon a sufficient showing of financial difficulties and good cause by the hospital. If the request for a delayed payment schedule and/or waiver of interest and penalties is approved, all other conditions of this subsection (h) shall apply.

3) Approval Process

A) In order to receive consideration for delayed payment provisions, providers must submit their request in writing (telefax requests are acceptable) to the Bureau of Program and Reimbursement Analysis. The request must be received by the date designated by the Department. Providers will be notified, in writing, as to the due dates for submitting delay of payment requests ~~as follows: delayed payment requests for installments due on September 30 of the year must be received on or before September 10 of the year; delayed payment requests for installments due on December 31 of the year must be received on or before December 10 of the year; delayed payment requests for installments due on March 31 of the year must be received on or before March 11 of the year; and delayed payment requests for installments due on May 31 of the year must be received on or before May 10 of the year~~. Requests must be complete and contain all required information before they are considered to have met the time requirements for filing a delayed payment request. All telefax requests must be followed up with original written requests, postmarked no later than the date of the telefax. The request must include:

i) an explanation of the circumstances creating the need for the delayed payment provisions;

ii) supportive documentation to substantiate the emergency nature of the request including a cash position statement as defined in subsection (h)(1)(C) of this Section, a denial of application to borrow the assessment as defined in subsection (h)(1)(D) of this Section and an explanation of the risk of irreparable harm to the clients; and

iii) specification of the specific arrangements requested

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by the provider.

B) The hospital shall be notified by the Department, in writing prior to the assessment due date, of the Department's decision with regard to the request for institution of delayed payment provisions. An agreement shall be issued to the provider for all approved requests. The agreement must be signed by the administrator, owner, chief executive officer or other authorized representative and be received by the Department prior to the first scheduled payment date listed in such agreement.

4) Waiver of Penalties. The penalties described in subsections (f)(1) and (f)(2) of this Section may be waived upon approval of the provider's request for institution of delayed payment provisions. In the event a provider's request for institution of delayed payment provisions is approved and the Department has received the signed agreement in accordance with subsection (h)(3)(B) above, such penalties shall be permanently waived for the subject quarter unless the provider fails to meet all of the terms and conditions of the agreement. In the event the provider fails to meet all of the terms and conditions of the agreement, the agreement shall be considered null and void and such penalties shall be fully reinstated.

5) Interest. The delayed payments shall include interest at a rate not to exceed the State of Illinois borrowing rate. The applicable interest rate shall be identified in the agreement described in subsection (h)(1)(E) above. The interest may be waived by the Director if the facility's current ratio, as described in subsection (h)(1)(C) above, is 1.5 or less and the hospital meets the criteria in subsections (h)(1)(A) and (B) above. Any such waivers granted shall be expressly identified in the agreement described in subsection (h)(1)(E) above.

6) Subsequent Delayed Payment Arrangements. Once a provider has requested and received approval for delayed payment arrangements, the provider shall not receive approval for subsequent delayed payment arrangements until such time as the terms and conditions of any current delayed payment agreement have been satisfied or unless the provider is in full compliance with the terms of the current delayed payment agreement. The waiver of penalties described in subsection (h)(4) shall not apply to a provider that has not satisfied the terms and conditions of any current delayed payment agreement.

i) Administration and Enforcement Provisions

Pursuant to Section 5A-7 of P.A. 86-861, to the extent practicable, the Department shall administer and enforce P.A. 86-861, ~~and by~~ P.A. 88-88 and P.A. 89-21, and collect the assessments, interest, and penalty assessments imposed under the law, using procedures employed in its administration of this Code generally and, as it deems appropriate, in a manner similar to that in which the Department of

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Revenue administers and collects the retailers' occupation tax under the Retailers' Occupation Tax Act ("ROTA").

j) Exemptions

1) A rural hospital, as defined in subsection (l)(ll) below, shall be exempt from the assessment imposed under subsection (b), unless the exemption is a judged to be unconstitutional or otherwise invalid, in which case the provider shall pay the assessment imposed under subsection (b) above.

2) A hospital provider which is a county with a population of more than 3,000,000 that makes intergovernmental transfer payments as provided in Section 15-3 of P.A. 87-861, as amended by P.A. 88-85, ~~and~~ P.A. 88-88 and P.A. 89-21, shall be exempt from the assessment imposed by subsection (b) above, unless the exemption is adjudged to be unconstitutional or otherwise invalid, in which case the hospital shall pay the assessment imposed by subsection (b) above for all assessment periods beginning on or after July 1, 1992, and the assessment so paid shall be creditable against the intergovernmental transfer payments.

3) The Department is authorized to enter into an interagency agreement with a hospital organized under the University of Illinois Hospital Act exempt from the assessment imposed under subsection (b) of this Section, to make intergovernmental transfer payments to the Department. Effective July 1, 1994, these ~~These~~ payments shall be deposited into the University of Illinois Fund, as mandated under P.A. 88-554 ~~General--Revenue Fund~~.

4) The Department is also authorized to enter into agreements with publicly owned or operated hospitals not described in subsections (j)(1) through (j)(3) above to make intergovernmental transfer payments to the Department. These payments shall be deposited into the Hospital Provider Fund.

5) Facilities operated by the Department of Mental Health and Developmental Disabilities shall be exempt from the assessment imposed by subsection (b) above.

k) Nothing in P.A. 89-21 ~~88-88~~ shall be construed to prevent the Department from collecting all amounts due under this Section pursuant to an assessment imposed before the effective date of P.A. 89-21 ~~88-88~~.

l) Definitions

As used in this Section, unless the context requires otherwise:

1) "Adjusted gross hospital revenue" means the hospital provider's total gross patient charges less Medicare contractual allowances, but does not include gross patient revenue ~~(and the portion of any Medicare contractual allowance related thereto)~~ from skilled or intermediate long-term care services within the meaning of Title XVIII or XIX of the Social Security Act, or home health and hospice services (and the portion of any Medicare contractual allowance related thereto). Revenue generated from swing beds,

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as described in subsection (l)(12) below, is considered to be part of the provider's gross hospital revenue. Revenue not related to patient care, such as investment income, gift shop, cafeteria, or parking lot revenue, is not considered as patient revenue. Adjusted gross hospital revenue must be reported on an accrual basis for the assessment reporting period. All patient revenue accrued during the assessment reporting period must be included even though reimbursement may occur after the assessment reporting period. Patient revenue must be reported on a basis that is consistent with methods used on the hospital's last two cost reports.

2) "Cigarette Tax Contribution" is the sum of the total amount deposited in the Hospital Provider Fund in the previous State fiscal year ~~1994~~ pursuant to Section 2(a) of the Cigarette Tax Act, plus the total amount deposited in the Hospital Provider Fund in the previous State fiscal year ~~1994~~ pursuant to Section 5A-3(c) of Public Act 88-88, as amended by Public Act 89-21.
3) "Department" means the Illinois Department of Public Aid.
4) "Fund" means the Hospital Provider Fund.
5) "Hospital" means an institution, place, building, or agency located in this State that is subject to licensure by the Illinois Department of Public Health under the Hospital Licensing Act, whether public or private and whether organized for profit or not-for-profit.
6) "Hospital provider" means a person licensed by the Department of Public Health to conduct, operate, or maintain a hospital, regardless of whether the person is a Medicaid provider. For purposes of this definition, "person" means any political subdivision of the State, municipal corporation, individual, firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.
7) "Intergovernmental transfer payment/Interagency Agreement" means the payments established under Section 15-3 of P.A. 87-861, as amended by P.A. 88-85, ~~and~~ P.A. 88-88 and P.A. 88-554, and includes without limitation payments payable under that Section for July, August and September of 1992.
8) "Maximum Section 5A-2 Contribution" is the total amount of tax imposed by Section 5A-2 of Public Act 88-88, as amended by Public Act 89-21, in the previous State fiscal year ~~1994~~ on providers subject to the assessment imposed by subsection (b) above; multiplied by a fraction the numerator of which is adjusted gross hospital revenues reported to the Department by providers subject to the assessment imposed by subsection (b) for the previous State fiscal year ~~1994~~ and the denominator of which is adjusted gross hospital revenues reported to the Department by providers subject to the assessment imposed by subsection (b) for the State

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fiscal year immediately preceding the previous State fiscal ~~fiscal~~ year ~~1993~~.

9) "Medicare Contractual Allowance" means the difference between charges at established rates and the amount estimated to be paid by Medicare, as appropriate, pursuant to agreements between the hospital and the Health Care Financing Administration.
10) "Provider's Savings Rate" effective July 1, 1994, is 1.88 percent ~~%~~ multiplied by a fraction, the numerator of which is the Maximum Section 5A-2 Contribution minus the Cigarette Tax Contribution, and the denominator of which is the Maximum Section 5A-2 Contribution. Effective July 1, 1995, the Provider's Savings Rate is 1.25 percent multiplied by the same fraction as described above.
11) "Rural hospital" means a hospital that is ~~either~~:
    A) located outside a metropolitan statistical area;~~, or is~~
    B) located 15 miles or less from a county that is outside a metropolitan statistical area and that is licensed to perform medical/surgical or obstetrical services and had ~~has~~ a combined approved total bed capacity of 75 or fewer beds in these two service categories as of the effective date of P.A. 88-88 (July 14, 1993), as determined by the Illinois Department of Public Health; or~~,~~
    C) qualified as a rural hospital by meeting subsections (l)(11)(A) or (B) above as of July 14, 1993.
12) The Illinois Department of Public Health must have been notified in writing of any changes to a facility's bed count on or before the effective date of P.A. 88-88 (July 14, 1993). Appeals of the geographic designation of hospital provider shall be in accordance with 89 Ill. Adm. Code 148.310(m).
13) ~~12)~~ "Swing-beds" means those beds for which a hospital provider has been granted an approval from the federal Health Care Financing Administration to provide post-hospital extended care services (42 CFR 409.30, October 1, 1991) and be reimbursed as a swing-bed hospital (42 CFR 413.114, October 1, 1991).

(Source: Emergency amendment at 19 Ill. Reg. **9297**, effective July 1, 1995, for a maximum of 150 days)

Section 140.82 Developmentally Disabled Care Provider Fund
EMERGENCY

a) Purpose and Contents
    1) The Developmentally Disabled Care Provider Fund was created in the State Treasury upon enactment of Public Act 87-861, ~~and~~ Public Act 88-88 and Public Act 89-21. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any funds appropriated to the Medicaid program by the General Assembly.

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2) The Fund is created for the purpose of receiving and disbursing monies in accordance with this Section and Public Act 87-861, ~~and~~ Public Act 88-88 and Public Act 89-21.

3) The Fund shall consist of:

A) All monies collected or received by the Department under subsection (b) below;

B) All federal matching funds received by the Department as a result of expenditures made by the Department that are attributable to monies deposited in the Fund;

C) Any interest or penalty levied in conjunction with the administration of the Fund;

D) All other monies received for the Fund from any other source, including interest earned thereon; and

E) All monies transferred from the Medicaid Developmentally Disabled Provider Participation Fee Trust Fund.

b) Provider Assessments

Beginning on July 1, 1993, an assessment is imposed upon each developmentally disabled care provider ~~for the State fiscal year beginning on July 1, 1993, and ending on June 30, 1995,~~ in an amount equal to six percent of its adjusted gross developmentally disabled care revenue for the prior State fiscal year. ~~Adjusted gross developmentally disabled care revenue for the fiscal year beginning on July 1, 1993, will be based upon the provider's annualized State fiscal year 1993 revenue. Adjusted gross developmentally disabled care revenue for the fiscal year beginning on July 1, 1994, will be based upon the provider's annualized State fiscal year 1994 revenue.~~ The revenue for each year will be reported on the Developmentally Disabled Care Provider Tax form to be filed by a date designated by the Department. The Department reserves the right to audit the reported data.

c) Payment of Assessment Due

1) The assessment described in subsection (b) above shall be due and payable in quarterly installments, each equalling one-fourth of the assessment for the year, on September 30, December 31, March 31, and May 31 of the year, modified to accommodate weekends and holidays. Providers will be notified, in writing, of the due dates. Assessment payments postmarked on the due date will be considered paid on time.

2) All payments received by the Department shall be credited first to unpaid installment amounts (rather than to penalty or interest), beginning with the most delinquent installments.

d) Reporting Requirements, Penalty, and Maintenance of Records

1) After June 30 of each State fiscal year, and on or before September 30 of the succeeding State fiscal year, every developmentally disabled care provider subject to an assessment under subsection (b) above shall file a report with the Department. The report shall be on a form prepared by the Department. The report shall include the adjusted gross developmentally disabled care revenue from the State fiscal year just ended and shall be utilized by the Department to calculate the assessment for the State fiscal year commencing on the preceding July 1. If a developmentally disabled care provider operates or maintains more than one developmentally disabled care facility, a separate report shall be filed for each facility. In the case of a developmentally disabled care provider existing as a corporation or legal entity other than an individual, the report filed by it shall be signed by its president, vice-president, secretary, or treasurer or by its properly authorized agent.

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2) If the developmentally disabled care provider fails to file its report for a State fiscal year on or before the due date of the report, there shall be, unless waived by the Department for reasonable cause, added to the assessment imposed in subsection (b) above a penalty assessment equal to 25 percent ~~%~~ of the assessment imposed for the year.

3) Every developmentally disabled care provider subject to an assessment under subsection (b) above shall keep records and books that will permit the determination of adjusted gross developmentally disabled care revenue on a State fiscal year basis. All such books and records shall be maintained for a minimum of three years following the filing date of the assessment report and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees.

4) Amended Assessment Reports. With the exception of amended assessment reports filed in accordance with subsection (d)(5) or (6) below, an amended assessment report must be filed within 30 calendar days after the original report due date. The amended report must be accompanied by a letter identifying the changes and the justification for the amended report. The provider will be advised of any adjustments to the original annual assessment amount through a written notification from the Department. Penalties may be applied to the amount underpaid due to a filing error.

5) Submission of Financial Audit Statements. All developmentally disabled care providers are required to submit a copy of all financial statements audited by an external, independent auditor to the Department within 30 days of the close of such externally performed financial audits. If the provider's year end does not coincide with the June 30th ending date for the assessment report, the provider must submit all financial audits covering the assessment report period. An amended assessment report must accompany such external financial audit statements if the data submitted on the initial assessment report changes based upon the findings of such external financial audits and as indicated in the audited external financial statements. Penalties may be

applied to the amount underpaid due to a filing error.

6) Reconsideration of Adjusted Assessment. If the Department, through an audit conducted by the Department or its agent within three years after the end of the fiscal year in which the assessment was due, changes the assessment liability of a developmentally disabled care provider, the developmentally disabled care provider may request a review or reconsideration of the adjusted assessment within 30 days of the Department's notification of the change in assessment liability. Requests for reconsideration of the assessment adjustment shall not be considered if such requests are not postmarked on or before the end of the 30 day review period. Penalties may be applied to the amount underpaid due to a filing error.

e) Procedure for Partial Year Reporting/Operating Adjustments

1) Cessation of business during the fiscal year in which the assessment is being paid. For a developmentally disabled care provider who ceases to conduct, operate, or maintain a facility to which the person is subject to assessment under subsection (b) above, the assessment for the State fiscal year in which the cessation occurs shall be adjusted by multiplying the assessment computed under subsection (d) by a fraction, the numerator of which is the number of days in the year during which the provider conducts, operates, or maintains the facility and the denominator of which is 365. The person shall file a final, amended report with the Department not more than 30 calendar days after the cessation, reflecting the adjustment, and shall pay with the final report the assessment for the year as so adjusted, to the extent not previously paid.

2) Commencing of business during the fiscal year in which the assessment is being paid. A developmentally disabled care provider who commences conducting, operating, or maintaining a facility of which the person is subject to assessment under subsection (b) above, shall file an initial return for the State fiscal year in which the commencement occurs within 30 calendar days thereafter and shall pay the assessment under subsection (d) above as computed by the Department in equal installments on the due date of the initial assessment determination and on the regular installment due dates for the State fiscal year occuring after the due date of the initial assessment determination. In determining the annual assessment amount for the provider the Department shall develop hypothetical annualized revenue projections based upon geographic location, facility size and patient case mix. The assessment determination made by the Department is final.

3) Partial Fiscal Year Operation Adjustment. For a developmentally disabled care provider that did not conduct, operate, or maintain a facility throughout the entire fiscal year reporting period, the assessment for the following State fiscal year shall be

annualized based on the provider's actual developmentally disabled care revenue for the portion of the reporting period the facility was operational (dividing adjusted developmentally disabled care revenue by the number of days the facility was in operation and then multiplying that amount by 365). Developmentally disabled care revenue realized by a prior provider from the same facility during the fiscal year shall be used in the annualization equation, if available.

4) Changes in Ownership and/or Operators. The full quarterly assessment must be paid on the designated due dates regardless of changes in ownership or operators. Liability for the payment of the assessment amount (including past due assessments and any interest or penalties that may have accrued against the amount rests on the developmentally disabled care provider currently operating or maintaining the developmentally disabled care facility regardless if these amount were incurred by the current owner or were incurred by previous owners. Collection of delinquent assessment fees from previous providers will be made against the current provider. Failure of the current provider to pay any outstanding assessment liabilities incurred by previous providers shall result in the application of penalties described in subsection (f)(1) of this Section.

f) Penalties

1) Any facility that fails to pay the full amount of an installment when due shall be charged, unless waived by the Department for reasonable cause, a penalty equal to five percent ~~5%~~ of the amount of the installment not paid on or before the due date, plus five percent ~~5%~~ of the portion thereof remaining unpaid on the last day of each month thereafter, not to exceed 100 percent ~~%~~ of the installment amount not paid on or before the due date.

2) Within 45 days from the due date, the Department may begin recovery actions against delinquent facilities participating in the Medicaid Program. Payments may be withheld from the facility until the entire assessment, including any penalties, is satisfied, or until a reasonable repayment schedule has been approved by the Department. If a reasonable agreement cannot be reached, or if the facility fails to comply with an agreement the Department reserves the right to recover any outstanding provider assessment, interest and penalty by recouping the amount or a portion thereof from the provider's future payments from the Department. The provider may appeal this recoupment in accordance with Department rules contained in 89 Ill. Adm. ~~Illinois--Admin.~~ Code 104. The Department has the right to continue recoupment during the appeal process. Penalties pursuant to subsection (f)(1) above will continue to accrue during the recoupment process. Recoupment proceedings against the same facility two times in a fiscal year may be cause for termination from the Program. Failure by the Department to

initiate recoupment activities within 45 days shall not reduce the provider's liabilities nor shall it preclude the Department from taking action at a later date.

3) If the facility does not participate in the Medicaid Program, or is no longer doing business with the Department, or the Department cannot recover the full amount due through the claims processing system, within three months of the assessment due date, the Department may begin legal action to recover the monies, including penalties and interest owed, plus court costs.

g) Delayed Payment - Groups of Facilities
The Director may establish delayed payment of assessments and/or waive the payment of interest and penalties for groups of facilities when:

1) the State delays payments to facilities due to problems related to State cash flow, or

2) a cash flow bond pool's or any other group financing plans' requests from providers for loans are in excess of its scheduled proceeds such that a significant number of facilities will be unable to obtain a loan to pay the assessment.

h) Delayed Payment - Individual Facilities
In addition to the provisions of subsection (g) above, the Director may delay assessments for individual facilities that are unable to make timely payments under this Section due to financial difficulties. No delayed payment arrangements shall extend beyond the last business day of the calendar quarter following the quarter in which the assessment was to have been received by the Department as described in subsection (c) above.

1) Criteria. Delayed payment provisions may be instituted only under extraordinary circumstances. Delayed payment provision shall be made only to qualified facilities who meet all of the following requirements:

A) the facility has experienced an emergency which necessitates institution of delayed payment provisions. Emergency in this instance is defined as a circumstance under which institution of the payment and penalty provisions described in subsections (c)(1), (c)(2), (f)(1), (f)(2) and (f)(3) above would impose severe and irreparable harm to the clients served. Circumstances which may create such emergencies include, but are not limited to, the following:

i) Department system errors (either automated system or clerical) which have precluded payments, or which have caused erroneous payments such that the facility's ability to provide further services to clients is severely impaired;

ii) cash flow problems encountered by a facility which are unrelated to Department technical system problems and which result in extensive financial problems to a facility adversely impacting on its ability to serve its clients.

B) the facility serves a significant number of clients under the Medical Assistance Program. Significant in this instance means:

i) 85 percent or more of their residents must be eligible for public assistance.

ii) a government-owned facility, which meets the cash flow criteria under subsection (h)(1)(A)(ii) above.

iii) a provider who has filed for Chapter 11 bankruptcy, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above.

C) the facility must file a delay of payment request as defined in subsection (h)(3)(A) below, and the request must include a Cash Position Statement which is based upon current assets, current liabilities and other data for a date which is less than 60 days prior to the date of filing. Any liabilities payable to owners or related parties must not be reported as current liabilities on the Cash Position Statement. A deferral of assessment payments will be denied if any of the following criteria are met:

i) the ratio of current assets divided by current liabilities is greater than 2.0;

ii) cash, short term investments and long term investments equal or exceed the total of accrued wages payable and the assessment payment. Long term investments which are unavailable for expenditure for current operations due to donor restrictions or contractual requirements will not be used in this calculation;

iii) cash or other assets have been distributed during the previous 90 days to owners or related parties in an amount equal to or exceeding the assessment payment for dividends, salaries in excess of those allowable under Section 140.541 or payments for purchase of goods or services in excess of cost as defined in Section 140.537.

D) the facility, with the exception of government owned facilities, must show evidence of denial of an application to borrow assessment funds through a cash flow bond pool or financial institution such as a commercial bank. The denial must be 90 days old or less.

E) the facility must sign an agreement with the Department which specifies the terms and conditions of the delayed payment provisions. The agreement shall contain the following provisions:

i) specific reason(s) for institution of the delayed payment provisions;

ii) specific dates on which payments must be received and the amount of payment which must be received on each specific date described;

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iii) the interest or a statement of interest waiver as described in subsection (h)(5) that shall be due from the facility as a result of institution of the delayed payment provisions;

iv) a certification stating that, should the entity be sold, the new owners will be made aware of the liability and any agreement selling the entity will include provisions that the new owners will assume responsibility for repaying the debt to the Department according to the original agreement;

v) a certification stating that all information submitted to the Department in support of the delayed payment request is true and accurate to the best of the signature's knowledge; and

vi) such other terms and conditions that may be required by the Department.

2) A facility which does not meet the above criteria may request a delayed payment schedule and/or the waiver of interest and penalties. The Director may approve the request, notwithstanding the facility not meeting the above criteria, upon a sufficient showing of financial difficulties and good cause by the facility. If the request for a delayed payment schedule and/or waiver of interest and penalties is approved, all other conditions of this subsection (h) shall apply.

3) Approval Process

A) In order to receive consideration for delayed payment provisions, facilities must submit their request in writing (telefax requests are acceptable) to the Bureau of Program and Reimbursement Analysis. The request must be received by the due date designated by the Department. Providers will be notified, in writing, of the due dates for submitting delay of payment requests ~~as follows: delayed payment requests for installments due on September 30 of the year must be received on or before September 10 of the year; and delayed payment requests for installments due on December 31 of the year must be received on or before December 10 of the year; delayed payment requests for installments due on March 31 of the year must be received on or before March 11 of the year; delayed payment requests for installments due on May 31 of the year must be received on or before May 10 of the year~~. Requests must be complete and contain all required information before they are considered to have met the time requirements for filing a delayed payment request. All telefax requests must be followed up with original written requests postmarked no later than the date of the telefax. The request must include:

i) an explanation of the circumstances creating the need for the delayed payment provisions;

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ii) supportive documentation to substantiate the emergency nature of the request and risk of irreparable harm to the clients; and

iii) specification of the specific arrangements requested by the facility.

B) The facility shall be notified by the Department, in writing prior to the assessment due date, of the Department's decision with regard to the request for institution of delayed payment provisions. An agreement shall be issued to the facility for all approved requests. The agreement must be signed by the administrator, owner or other authorized representative and be received by the Department prior to the first scheduled payment date listed in such agreement.

4) Waiver of Penalties. The penalties described in subsections (f)(1) and (f)(2) of this Section may be waived upon approval of the facility's request for institution of delayed payment provisions. In the event a facility's request for institution of delayed payment provisions is approved and the Department has received the signed agreement in accordance with subsection (h)(3)(B) above, such penalties shall be permanently waived for the subject quarter unless the facility fails to meet all of the terms and conditions of the agreement. In the event the facility fails to meet all the terms and conditions of the agreement, the agreement shall be considered null and void and such penalties shall be fully reinstated.

5) Interest. The delayed payments shall include interest at a rate not to exceed the State of Illinois borrowing rate. The applicable interest rate shall be identified in the agreement described in subsection (h)(1)(E) above. The interest may be waived by the Director if the facility's current ratio, as described in subsection (h)(1)(C) above, is 1.5 or less and the facility meets the criteria in (h)(1)(A) and (B). Any such waivers granted shall be expressly identified in the agreement described in subsection (h)(1)(E) above.

6) Subsequent Delayed Payment Arrangements. Once a facility has requested and received approval for delayed payment arrangements, the facility shall not receive approval for subsequent delayed payment arrangements until such time as the terms and conditions of any current delayed payment agreement have been satisfied or unless the provider is in full compliance with the terms of the current delay of payment agreement. The waiver of penalties described in subsection (h)(4) shall not apply to a facility that has not satisfied the terms and conditions of any current delayed payment agreement.

i) Administration; enforcement provisions

Pursuant to Section 5C-6 of P.A. 86-861, to the extent practicable, the Department shall administer and enforce P.A. 86-861, ~~and~~ P.A. 88-88 and P.A. 89-21, and collect the assessments, interest, and

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penalty assessments imposed under the law, using procedures employed in its administration of this Code generally and, as it deems appropriate, in a manner similar to that in which the Department of Revenue administers and collects the retailers' occupation tax under the Retailers' Occupation Tax Act ("ROTA").

j) Nothing in P.A. 89-21 ~~88-88~~ shall be construed to prevent the Department from collecting all amounts due under this Section pursuant to an assessment impose before the effective date of P.A. 89-21 ~~88-88~~.

k) Definitions

1) "Adjusted gross developmentally disabled care revenue" means the developmentally disabled care provider's total revenue for inpatient residential services, less contractual allowances and discounts on patients' accounts, but does not include non-patient revenue from sources such as contributions, donations or bequests, investments, day training services, television and telephone service, rental of facility space, or sheltered care revenue. Adjusted gross developmentally disabled care revenue must be reported on an accrual basis for the tax reporting period. All patient revenue accrued during the tax reporting period must be included even though reimbursement may occur after the tax reporting period. Patient revenue must be reported on a basis that is consistent with methods used on the facility's last two cost reports.

2) "Contractual Allowance" means the difference between charges at established rates and the amount estimated to be paid by third party payors or patients, as appropriate, pursuant to agreements/contracts with the developmentally disabled care provider; courtesy and policy discounts provided to employees, medical staff and clergy; and charity care, but "contractual allowance" does not mean any Provider Participation fees/taxes paid to the Illinois Department of Public Aid.

3) "Department" means the Illinois Department of Public Aid.

4) "Developmentally disabled care facility" means an intermediate care facility for the mentally retarded within the meaning of Title XIX of the Social Security Act, whether public or private and whether organized for profit or not-for-profit, but shall not include any facility operated by the State.

5) "Developmentally disabled care provider" means a person conducting, operating, or maintaining a developmentally disabled care facility. For this purpose, "person" means any political subdivision of the State, municipal corporation, individual, firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

6) "Facility" means all intermediate care facilities as defined under "Developmentally disabled care facility" above.

7) "Fund" means the Developmentally Disabled Care Provider Fund.

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(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.84 Long Term Care Provider Fund
EMERGENCY

a) Purpose and Contents

1) The Long Term Care Provider Fund was created in the State Treasury upon enactment of Public Act 87-861, ~~and~~ Public Act 88-88 and Public Act 89-21. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any funds appropriated to the Medicaid program by the General Assembly.

2) The Fund is created for the purpose of receiving and disbursing monies in accordance with this Section and Public Act 87-861, ~~and~~ Public Act 88-88 and Public Act 89-21.

3) The Fund shall consist of:

A) All monies collected or received by the Department under subsection (b) below;

B) All federal matching funds received by the Department as a result of expenditures made by the Department that are attributable to monies deposited in the Fund;

C) Any interest or penalty levied in conjunction with the administration of the Fund;

D) All other monies received for the Fund from any other source, including interest earned thereon;

E) All monies transferred from the Medicaid Long Term Care Provider Participation Fee Trust Fund; and

F) All monies transferred from the Tobacco Products Tax Act.

b) License Fee

Beginning on July 1, 1993, a nursing home license fee is imposed upon each nursing home provider ~~for the State fiscal year beginning on July 1, 1993, and ending on June 30, 1995,~~ in an amount equal to $1.50 for each licensed nursing bed day for the calendar quarter in which the payment is due. All nursing ~~home~~ beds subject to licensure under the Nursing Home Care Act or the Hospital Licensing Act, with the exception of swing-beds, as defined in subsection (k)(8) of this Section will be used to calculate the licensed nursing bed days for each quarter. This license fee shall not be billed or passed on to any resident of a nursing home operated by the nursing home providers. Changes in the number of licensed nursing beds will be reported to the Department quarterly, as described in subsection (d)(1) below. The Department reserves the right to audit the reported data.

c) Payment of License Fee Due

1) The license fee described in subsection (b) above shall be due and payable in quarterly installments, on September 10, December 10, March 10, and June 10 of the year, modified to accommodate weekends and holidays. Providers will be notified, in writing,

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of the quarterly due dates. License fee payments postmarked on the due date will be considered as paid on time.

2) All payments received by the Department shall be credited first to unpaid installment amounts (rather than to penalty or interest), beginning with the most delinquent installments.

3) County nursing homes directed and maintained pursuant to Section 5-1005 of the Counties Code may meet their license fee obligation by the county government certifying to the Department that county expenditures have been obligated for the operation of the county nursing home in an amount at least equal to the amount of the license fee. County governments wishing to provide such certification must:

A) Sign a certification form certifying that the funds represent expenditures eligible for federal financial participation under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and that these funds are not federal funds, or are federal funds authorized by federal law to be used to match other federal funds;

B) Submit the certification document to the Department once a year along with a copy of that portion of the county budget showing the funds appropriated for the operation of the county nursing home. These documents must be submitted within 30 days after the final approval of the county budget. The county budget and/or budgets covering the State fiscal year of July 1, 1993, through June 30, 1995, must be submitted by a date designated by the Department;

C) Submit the monthly claim form in the amount of the rate established by the Department minus any third party liability amount. This amount will be reduced by an amount determined by the amount certified and the number of months remaining in the fiscal year, prior to payment because a certification statement was provided in lieu of an actual license fee payment; and

D) Make records available upon request to the Department and/or the United States Department of Health and Human Services pertaining to the certification of county funds.

d) Reporting Requirements, Penalty, and Maintenance of Records

1) On or before the due dates described in subsection (c)(1), each nursing home provider subject to a license fee under subsection (b) of this Section shall file a report with the Department reflecting any changes in the number of licensed nursing beds occurring during the reporting quarter. The report shall be on a form prepared by the Department. The changes will be reported quarterly and shall be submitted with the revised quarterly license fee payment. For the purpose of calculating the license fee described in subsection (b) above, all changes in licensed nursing beds will be effective upon approval of the change by the Illinois Department of Public Health. Documentation showing the

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change in licensed nursing beds, and the date the change was approved by the Illinois Department of Public Health, must be submitted to the Department of Public Aid with the licensed nursing bed change form. If a nursing home provider operates or maintains more than one nursing home, a separate report shall be filed for each facility. In the case of a nursing home provider existing as a corporation or legal entity other than an individual, the report filed by it shall be signed by its president, vice-president, secretary, or treasurer or by its properly authorized agent.

2) If the nursing home provider fails to file its report for a State fiscal year on or before the due date of the report, there shall, unless waived by the Department for reasonable cause, be added to the license fee imposed in subsection (b) above a penalty fee equal to 25 percent % of the license fee imposed for the year.

3) Every nursing home provider subject to a license fee under subsection (b) above shall keep records and books that will permit the determination of licensed nursing bed days on a quarterly basis. All such books and records shall be maintained for a minimum of three years following the filing date of the license fee report and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees.

4) Amended License Fee Reports. With the exception of amended license fee reports filed in accordance with subsection (d)(5) below, an amended license fee report must be filed within 30 calendar days after the original report due date. The amended report must be accompanied by a letter identifying the changes and the justification for the amended report. The provider will be advised of any adjustments to the original annual license fee amount through a written notification from the Department. Penalties may be applied to the amount underpaid due to a filing error.

5) Reconsideration of Adjusted License Fee. If the Department, through an audit conducted by the Department or its agent within three years after the end of the fiscal year in which the assessment/license fee was due, changes the license fee liability of a nursing home provider, the nursing home provider may request a review or reconsideration of the adjusted license fee within 30 days of the Department's notification of the change in license fee liability. Requests for reconsideration of the license fee adjustment shall not be considered if such requests are not postmarked on or before the end of the 30 day review period. Penalties may be applied to the amount underpaid due to a filing error.

e) Procedure for Partial Year Reporting/Operating Adjustments

1) Cessation of business during the quarter in which the license fee is being paid and the closure date has been set. A nursing home

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provider who ceases to conduct, operate, or maintain a facility to which the person is subject to the license fee imposed under subsection (b) above, and for which the closure date for the facility has been set, shall file a final report with the Department on or before the due date for the quarter in which the closure is to occur. The report will reflect the adjusted number of days the facility is open during the reporting quarter, and shall be submitted with the final quarterly payment. Example: A facility is set to close on September 24. On or before the due date ~~of September 30,~~ for the reporting quarter of July 1 through September 30, the facility will submit a final report reflecting 86 days of the operation (July 1 through September 24) and the corresponding quarterly license fee payment.

2) Cessation of business after the quarterly due date. A nursing home provider who ceases to conduct, operate, or maintain a facility for which the person is subject to the license fee imposed under subsection (b) above, and for which closure occurs after the due date for the reporting quarter, but prior to the last day of the reporting quarter, shall file an amended final report with the Department within 30 days after the closure date. The amended report will reflect the number of days the facility was operated during the reporting quarter and the revised license fee amount. Upon verifying the data submitted on the amended report, the Department will issue a refund for the amount overpaid. Example: On December 10 a facility pays the license fee for 92 days covering the reporting quarter of October 1 through December 31. The facility closes December 27. An amended report reflecting 88 days, the actual number of days the facility was operational during the quarter (October 1 through December 27) must be filed with the Department.

3) Cessation of business prior to the quarterly due date. A nursing home provider who ceases to conduct, operate, or maintain a facility for which the person is subject to the license fee imposed under subsection (b) above, and for which closure occurs prior to the due date for the reporting quarter, shall file a final report with the Department within 30 days after the closure date. The final report will reflect the number of days the facility was operational during the reporting during the quarter and the corresponding final license fee amount. Closure dates will be verified with the Department of Public Health, and if necessary adjustments will be made to the final license fee due. Example: Facility closes on January 17. On or before February 17, the facility must file a final report for the reporting quarter of January 1 through March 31. The report would reflect 17 days of operation (January 1 through January 17) during the quarter and must be accompanied by the final license fee payment for the facility.

4) Commencing of business during the fiscal year in which the

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license fee is being paid. A nursing home provider who commences conducting, operating, or maintaining a facility for which the person is subject to the license fee imposed under subsection (b) above, shall file an initial report for the reporting quarter in which the commencement occurs within 30 calendar days thereafter and shall pay the license fee under subsection (d) above.

5) Change in ownership and/or operators. The full quarterly assessment/license fee must be paid on the designated due date regardless of changes in ownership operators. Liability for the payment of the assessment/license fee amount (including past due assessment/license fees and any interest or penalties that may have accrued against the amount) rests on the nursing home provider currently operating or maintaining the nursing facility regardless if these amounts were incurred by the current owner or were incurred by previous owners. Collection of delinquent assessment/license fees from previous providers will be made against the current provider. Failure of the current provider to pay any outstanding assessment/license fee liabilities incurred by previous providers shall result in the application of penalties described in subsection (f)(1) of this Section.

f) Penalties

1) Any nursing home provider that fails to pay the full amount of an installment when due, or fails to report a change in licensed nursing beds approved by the Department of Public Health prior to the due date of installment, shall be charged, unless waived by the Department for reasonable cause, a penalty equal to five percent ~~5%~~ of the amount of the installment not paid on or before the due date, plus five percent ~~5%~~ of the portion thereof remaining unpaid on the last day of each month thereafter, not to exceed 100 percent ~~%~~ of the installment amount not paid on or before the due date.

2) Within 45 days from the due date, the Department may begin recovery actions against delinquent nursing home providers participating in the Medicaid Program. Payments may be withheld from the provider until the entire license fee, including any penalties, is satisfied or until a reasonable repayment schedule has been approved by the Department. If a reasonable agreement cannot be reached, or if a provider fails to comply with an agreement, the Department reserves the right to recover any outstanding license fee, interest and penalty by recouping the amount or a portion thereof from the provider's future payments from the Department. The provider may appeal this recoupment in accordance with the Department rules contained in 89 Ill. Adm. Code 104. The Department has the right to continue recoupment during the appeal process. Penalties pursuant to subsection (f)(1) above will continue to accrue during the recoupment process. Recoupment proceedings against the same nursing home provider two times in a fiscal year may be cause for termination

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from the Program. Failure by the Department to initiate recoupment activities within 45 days shall not reduce the provider's liabilities nor shall it preclude the Department from taking action at a later date.

3) If the nursing home provider does not participate in the Medicaid Program, or is no longer doing business with the Department, or the Department cannot recover the full amount due through the claims processing system, within three months after the fee due date, the Department may begin legal action to recover the monies, including penalties and interest owed, plus court costs.

g) Delayed Payment - Groups of Facilities
The Director may establish delayed payment of fees and/or waive the payment of interest and penalties for groups of facilities when:

1) the State delays payments to facilities due to problems related to State cash flow, or

2) a cash flow bond pool's or any other group financing plans' requests from providers for loans are in excess of its scheduled proceeds such that a significant number of facilities will be unable to obtain a loan to pay the license fee.

h) Delayed Payment - Individual Facilities
In addition to the provisions of subsection (g) above, the Director may delay license fees for individual facilities that are unable to make timely payments under this Section due to financial difficulties. No delayed payment arrangements shall extend beyond the last business day of the calendar quarter following the quarter in which the license fee was to have been received by the Department as described in subsection (c) above.

1) Criteria. Delayed payment provisions may be instituted only under extraordinary circumstances. Delayed payment provisions shall be made only to qualified facilities who meet all of the following requirements:

A) the facility has experienced an emergency which necessitates institution of delayed payment provisions. Emergency in this instance is defined as a circumstance under which institution of the payment and penalty provisions described in subsections (c)(1), (c)(2), (f)(1), (f)(2) and (f)(3) above would impose severe and irreparable harm to the clients served. Circumstances which may create such emergencies include, but are not limited to, the following:

i) Department system errors (either automated system or clerical) which have precluded payments, or which have caused erroneous payments such that the facility's ability to provide further services to clients is severely impaired;

ii) cash flow problems encountered by a facility which are unrelated to Department technical system problems and which result in extensive financial problems to a facility adversely impacting on its ability to serve

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its clients.

B) the facility serves a significant number of clients under the Medical Assistance Program. Significant in this instance means:

i) 85 percent or more of their residents must be eligible for public assistance.

ii) a government-owned facility, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above.

iii) a provider who has filed for Chapter 11 bankruptcy, which meets cash flow criterion under subsection (h)(1)(A)(ii).

C) the facility must file a delay of payment request as defined under subsection (h)(3)(A) and the request must include a Cash Position Statement which is based upon current assets, current liabilities and other data for a date which is less than60 days prior to the date of filing. Any liabilities payable to owners or related parties must not be reported as current liabilities on the Cash Position Statement. A deferral of license fee payments will be denied if any of the following criteria are met:

i) the ratio of current assets divided by current liabilities is greater than 2.0;

ii) cash, short term investments and long term investments equal or exceed the total of accrued wages payable and the license fee payment. Long term investments which are unavailable for expenditure for current operations due to donor restrictions or contractual requirements will not be used in this calculation;

iii) cash or other assets have been distributed during the previous 90 days to owners or related parties in an amount equal to or exceeding the license fee payment for dividends, salaries in excess of those allowable under Section 140.541 or payment for purchase of goods or services in excess of cost as defined in Section 140.537.

D) the facility, with the exception of government owned facilities, must show evidence of denial of an application to borrow license fee funds through a cash flow bond pool or financial institutions such as a commercial bank. The denial must be 90 days old or less.

E) the facility must sign an agreement with the Department which specifies the terms and conditions of the delayed payment provisions. The agreement shall contain the following provisions:

i) specific reason(s) for institution of the delayed payment provisions;

ii) specific dates on which payments must be received and the amount of payment which must be received on each

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specific date described;

iii) the interest or a statement of interest waiver as described in subsection (h)(5) below that shall be due from the facility as a result of institution of the delayed payment provisions;

iv) a certification stating that, should the entity be sold, the new owners will be made aware of the liability and any agreement selling the entity will include provisions that the new owners will assume responsibility for repaying the debt to the Department according to the original agreement;

v) a certification stating that all information submitted to the Department in support of the delayed payment request is true and accurate to the best of the signature's knowledge; and

vi) such other terms and conditions that may be required by the Department.

2) A facility which does not meet the above criteria may request a delayed payment schedule and/or the waiver of interest and penalties. The Director may approve the request, notwithstanding the facility not meeting the above criteria, upon a sufficient showing of financial difficulties and good cause by the facility. If the request for a delayed payment schedule and/or waiver of interest and penalties is approved, all other conditions of this subsection (h) shall apply.

3) Approval Process

A) In order to receive consideration for delayed payment provisions, facilities must submit their request in writing (telefax requests are acceptable) to the Bureau of Program and Reimbursement Analysis. The request must be received by the due date designated by the Department. Providers will be notified, in writing, of the due dates for submitting delay of payment requests ~~as--follows:--delayed--payment requests--for--installments--due-on-September-10-of-the-year must-be-received-on-or-before-August-20-of-the-year;-delayed payment-requests-for-installments-due-on-December-10-of--the year--must-be-received-on-or-before-November-22-of-the-year; delayed-payment-requests-for-installments-due-on-March-10-of the-year-must-be-received-on-or-before-February--10--of--the year;--and--delayed-payment-requests-for-installments-due-on June-10-of-the-year-must-be-received-on-or-before-May-20--of the--year~~. Requests must be complete and contain all required information before they are considered to have met the time requirements for filing a delayed payment request. All telefax requests must be followed up with original written requests, ~~by-certified-mail~~ postmarked no later than the date of the telefax. The request must include:

i) an explanation of the circumstances creating the need for the delayed payment provisions;

ii) supportive documentation to substantiate the emergency nature of the request including a cash position statement as defined in subsection (h)(1)(C) a denial of application to borrow the license fee as defined in subsection (h)(1)(D) and an explanation risk of irreparable harm to the clients; and

iii) specification of the specific arrangements requested by the facility.

B) The facility shall be notified by the Department, in writing prior to the license fee due date, of the Department's decision with regard to the request for institution of delayed payment provisions. An agreement shall be issued to the facility for all approved requests. The agreement must be signed by the administrator, owner or other authorized representative and be received by the Department prior to the first scheduled payment date listed in such agreement.

4) Waiver of Penalties. The penalties described in subsections (f)(1) and (f)(2) may be waived upon approval of the facility's request for institution of delayed payment provisions. In the event a facility's request for institution of delayed payment provisions is approved and the Department has received the signed agreement in accordance with subsection (h)(3)(B) above, such penalties shall be permanently waived for the subject quarter unless the facility fails to meet all of the terms and conditions of the agreement. In the event the facility fails to meet all of the terms and conditions of the agreement, the agreement shall be considered null and void and such penalties shall be fully reinstated.

5) Interest. The delayed payments shall include interest at a rate not to exceed the State of Illinois borrowing rate. The applicable interest rate shall be identified in the agreement described in subsection (h)(1)(E) above. The interest may be waived by the Director if the facility's current ratio, as described in subsection (h)(1)(C) above, is 1.5 or less and the facility meets the criteria in (h)(1)(A) and (B). Any such waivers granted shall be expressly identified in the agreement described in subsection (h)(1)(E) above.

6) Subsequent Delayed Payment Arrangements. Once a facility has requested and received approval for delayed payment arrangements, the facility shall not receive approval for subsequent delayed payment arrangements until such time as the terms and conditions of any current delayed payment agreement have been satisfied or unless the provider is in full compliance with the terms of the current delay of payment agreement. The waiver of penalties described in subsection (h)(4) shall not apply to a facility that has not satisfied the terms and conditions of any current delayed payment agreement.

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i) Administration; enforcement provisions
Pursuant to Section 5B-7 of P.A. 87-861, to the extent practicable, the Department shall administer and enforce P.A. 86-861, and P.A. 88-88 and P.A. 89-21, and collect the license fees, interest, and penalty fees imposed under the law, using procedures employed in its administration of this Code generally and, as it deems appropriate, in a manner similar to that in which the Department of Revenue administers and collects the retailers' occupation tax under the Retailers' Occupation Tax Act ("ROTA").

j) Nothing in P.A. 89-21 ~~00-00~~ shall be construed to prevent the Department from collecting all amounts due under this Section pursuant to an assessment imposed before the effective date of P.A. 89-21 ~~00-00~~.

k) Definitions
As used in this Section, unless the context requires otherwise:

1) "Department" means the Illinois Department of Public Aid.

2) "Fund" means the Long-Term Care Provider Fund.

3) "Hospital Provider" means a person licensed by the Department of Public Health to conduct, operate, or maintain a hospital, regardless of whether the person is a Medicaid provider. For purposes of this definition, "person" means any political subdivision of the State, municipal corporation, individual firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.

4) "Licensed nursing bed days" means, with respect to a nursing home provider, the sum for all nursing ~~home~~ beds, with the exception of swing-beds, as described in subsection (k)(8) of this Section, of the number of days during a calendar quarter on which each bed is covered by a license issued to that provider under the Nursing Home Care Act or the Hospital Licensing Act.

5) "Nursing home" means a skilled nursing or intermediate long-term care facility, whether public or private and whether organized for profit or not-for-profit, that is subject to licensure by the Illinois Department of Public Health under the Nursing Home Care Act, including a county nursing home directed and maintained under Section 5-1005 of the Counties Code; and a part of a hospital in which skilled or intermediate long-term care services within the meaning of Title XVIII or XIX of the Social Security Act. However, the term "nursing home" does not include a facility operated solely as an intermediate care facility for the mentally retarded within the meaning of Title XIX of the Social Security Act.

6) "Nursing home provider" means a person licensed by the Department of Public Health to operate and maintain a skilled nursing or intermediate long-term care facility which charges its residents, a third party payor, Medicaid, of Medicare for skilled nursing or

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intermediate long-term care services; or a hospital provider that provides skilled or intermediate long-term care service within the meaning of Title XVIII or XIX of the Social Security Act.

7) "Person" means, in addition to natural persons, any political subdivision of the State, municipal corporation, individual, firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.

8) "Swing-beds" means those beds for which a hospital provider has been granted an approval from the federal Health Care Financing Administration to provide post-hospital extended care services (42 CFR 409.30, October 1, 1991) and be reimbursed as a swing-bed hospital (42 CFR 413.114, October 1, 1991).

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

Section 140.440 Pharmacy Services
EMERGENCY

a) Payment shall be made only to pharmacies.

b) The following conditions apply to pharmacy participation:

1) The pharmacy must hold a current Drug Enforcement Administration (DEA) registration issued by the United States Drug Enforcement Administration (see 21 CFR 1301 et seq.), as well as a current controlled substances license issued by the Illinois Department of Professional Regulation (see Controlled Substances Act (Ill. Rev. Stat. 1991, ch. 56 1/2, par. 1301 et seq.) [720 ILCS 570]) prior to enrolling with the Department.

2) Licensed Pharmacy Requirements

A) A licensed pharmacy located in and/or administratively associated with a group practice or long-term facility must:

i) provide the same scope of general pharmacy and professional services as a pharmacy not so affiliated; and

ii) be retail in nature, open and accessible to the general public.

B) The pharmacy shall not limit prescriptions filled to those written by practitioners connected with the group or facility for persons receiving care or services from the group or facility.

3) A hospital pharmacy which provides pharmaceutical services and supplies for inpatients, outpatient clinic patients and emergency room patients of the hospital may not enroll as a participating

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pharmacy unless licensed to provide pharmaceutical services to the general public (Division 5 license).

c) The Department shall pay for the dispensing of pharmacy items, subject to the provisions of subsection (d) below and Section 140.443, which are prescribed by a physician, dentist or podiatrist within the scope of their professional practice.

d) Beginning with drugs dispensed on or after April 1, 1991, Department coverage shall be limited to those drug manufacturers having rebate agreements in effect as provided under Section 1927 of Title XIX of the Social Security Act (42 U.S.C. 1396s). The Department shall provide all interested parties with an updated list of drug manufacturers having rebate agreements in effect.

e) The Department may require approval for the reimbursement of any drug except as provided in Section 140.442. When reviewing requests for prior authorization, approval decisions shall be medically based. The Department's electronic claims processing system shall be the mechanism for identification of whether a prescribed drug requires prior authorization to dispensing pharmacists. A printed listing of prescribed drugs available without prior approval shall be provided to other interested parties upon request.

f) An approved request does not guarantee payment. The recipient for whom the services/items are approved must be eligible at the time they are provided. In addition, a valid, current prescription for the requested medication must be on file and maintained by the pharmacy in accordance with the Pharmacy Practice Act of 1987 [225 ILCS 85].

g) For purposes of Sections 140.440 through 140.448, pertaining to reimbursement for drugs, the following definitions apply:

1) Nursing facility means any facility which provides medical group care services as defined in Section 140.500.

2) Generic drug means those legend drugs which are multiple source drugs marketed or sold by two or more labelers, marketed or sold by the same labeler under two or more different proprietary names or marketed both under a proprietary name and without such a name.

3) Brand name drug means single-source innovator drugs and innovator multiple-source drugs when prior authorization has been obtained for reimbursing the innovator product.

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.443 Filling of Prescriptions
EMERGENCY

a) The prescription form (or the official form required by law for the prescribing of controlled substances) must contain the following information at a minimum:

1) Recipient's name;

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2) Date;
3) Name of pharmacy item being prescribed;
4) Form and strength or potency of drug (or size of non-drug item);
5) Quantity;
6) Directions for use;
7) Refill directions;
8) Legible signature of practitioner in ink; and
9) Drug Enforcement Administration (DEA) Number or the Social Security Number (for those practitioners who do not have a DEA Number).

b) Pharmacies shall not accept blank, presigned prescription forms.

c) If a drug is available by generic name and the identical drug is prescribed by trade name, payment will be based on cost of the generic product unless prior authorization has been obtained for reimbursement based upon the innovator product.

d) The Department shall not pay for ~~quantities--of--dispensed--items--in excess-of-the-maximum-quantities-designated-for-such-items-in-the-Drug Manual~~ dispensed items in excess of the maximum quantity established by the Department, unless ~~it-has-given~~ prior approval has been granted to dispense an amount in excess of the maximum. The ~~If--the--Drug Manual--does--not-specify-a-maximum-quantity,-the~~ Department shall pay for no more than one month's supply of the item dispensed.

e) The Department shall pay for refills only if the prescribing practitioner authorized refills on the original prescription in accordance with State law.

f) Pharmacies may use a unit dose system in the dispensing of drugs when such a system is in compliance with all applicable State and Federal laws. The total quantity dispensed on one prescription cannot exceed the quantity prescribed or the maximum allowable quantity.

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.444 Compounded Prescriptions
EMERGENCY

a) Pharmacy charges for compounded prescriptions shall be billed at the per ingredient charge to the general public.

b) Reimbursement will be at the lower of the pharmacy's charge or the Department's maximum for each ingredient.

~~a) The-Department-shall-pay-for-compound-prescriptions-the-lower--of:~~

~~1) the-prevailing-charge-of-the-pharmacy-to-the-general--public--for the-item,-or~~

~~2) the--total--of-ingredient-cost-(a-minimum-charge-of-$0.10-will-be recognized),-gelatin-capsule-cost-(when-applicable),-the--current professional-fee-established-by-the-Department,-and-a-compounding fee.~~

~~b) The-compounding-fee-is:~~

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~~1) Capsules up to 30 capsules---$2.00~~
~~31 to 60 capsules---$3.50~~
~~61 to 100 capsules--$5.00~~
~~2) Ointments and bulk powders up to 120 grams--$1.00~~
~~over 120 grams---$2.20~~
~~3) Solids with liquids-----$1.00~~
~~4) Volumetric liquids (liquids only)---no compounding fee~~

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.445 Legend Prescription Items (Not Compounded)
EMERGENCY

a) For legend drugs ~~For items for which the Drug Manual (see Section 140.72) establishes a maximum price~~, the Department shall pay the lower of:
   1) the pharmacy's prevailing charge to the general public, or
   2) the Department's ~~listed~~ maximum ~~price~~ plus the established dispensing ~~professional~~ fee.

b) For generic drugs, the Department's maximum price is calculated as the lower of ~~For items for which the Drug Manual does not establish a maximum price, the Department shall pay the lower of~~:
   1) the pharmacy's prevailing charge to the general public, or
   2) the average wholesale price minus 12 percent ~~the following percentage~~ plus the established dispensing ~~professional~~ fee, or~~:~~

~~Percentage~~	~~Effective Date~~
~~7.5~~	~~07/01/88~~
~~10.0~~	~~07/01/89~~

   3) the Federal Upper Limit for drugs that have been evaluated as therapeutically equivalent in the Food and Drug Administration's publication entitled Approved Drug Products with Therapeutic Equivalence Evaluations, plus the established dispensing fee, or
   4) the State Upper Limit for drugs listed in the Illinois Formulary for the Drug Product Selection Program and not having an established Federal Upper Limit at the time of listing plus the establisned dispensing fee.

c) For brand name drugs, the Department's maximum price is calculated as the average wholesale price minus ten percent plus the established dispensing fee.

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.446 Over-the-Counter Items
EMERGENCY

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For those over-the-counter ~~"over-the-counter"~~ items which are covered, the Department shall pay the lower of: ~~the lesser of the charges or the acquisition cost plus a mark up established by the Department~~:
   1) the prevailing charge to the general public, or
   2) the wholesale acquisition cost, plus the percentage established by the Department for over-the-counter items.

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

Section 140.447 Reimbursement
EMERGENCY

a) The calculation of average wholesale price in the determination of the Department's maximum price (Section 140.445(b)(2)) is made using the standard package size. ~~The Department's maximum reimbursement level is based on the average wholesale price minus the percentage for RX items (items requiring a prescription under federal or state law) not otherwise listed on the Health Care Financing Administration Maximum Acquisition Cost list as set forth in subsection 140.445(b)(2)~~.

b) If a pharmacy gives discounts to the general public, it must provide the same to Public Aid recipients. If discounts are allowed only to a specific group of people, they shall be extended to a recipient if he is a member of the special discount group. Public Aid recipients can constitute a special group and receive a discount, but they cannot be excluded from a discount group just because they are recipients.

c) The Department will require pharmacies to complete hard copy (paper) claim forms for pharmacy services and attach a Prescribing Practitioner Name Identification Form. A separate hard copy (paper) claim form and Practitioner Name Identification Form is to be required for each recipient and prescribing practitioner. ~~The Department does not recognize additional costs which may be incurred by a pharmacy through use of a unit dose system of dispensing or the purchase of convenience packaged items~~.

d) The Department will authorize an exception for pharmacies, to the requirements of Section 140.447(c), by allowing pharmacy claims to be submitted with the prescribing practitioner's DEA number, Department Medical Assistance Program participating provider identification number or Social Security Number.

(Source: Emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF ALCOHOLISM AND SUBSTANCE ABUSE

Heading of the Part: Subacute Alcoholism and Substance Abuse Treatment Services

Code Citation: 77 Ill Adm Code 2090

Section Numbers: 2090.20
2090.30
2090.40
2090.70

Date Originally Published in the Illinois Register: March 17, 1995
19 Ill Reg 3106

At its meeting on June 20, 1995, the Joint Committee on Administrative Rules objected to the Department of Alcoholism and Substance Abuse's proposed rulemaking entitled Subacute Alcoholism and Substance Abuse Treatment Services (77 Ill Adm Code 2090) because of the undue hardship that the rule can create for persons seeking alcohol or other drug treatment or who may receive insufficient services because of the rulemaking. The Committee further suggests that the agency more clearly communicate to the affected public the impact this rulemaking will have on substance abuse treatment programs and any alternative program support or treatment services that may be available.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed to be a refusal to respond under the Administrative Procedure Act and shall constitute withdrawal of this proposed rulemaking.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF RECOMMENDATION
TO PROPOSED RULEMAKING

ENVIRONMENTAL PROTECTION AGENCY

Heading of the Part: Procedures for Issuing Solid Waste Planning and Enforcement Grants

Code Citation: 35 Ill Adm Code 870

Section Numbers:

870.101	870.102
870.201	870.202
870.203	870.204
870.205	870.206
870.207	870.208
870.209	870.210
870.211	870.212
870.301	870.302
870.303	870.304
870.305	870.306
870.307	870.308
870.309	870.310

Date Originally Published in the Illinois Register: February 24, 1995
19 Ill Reg 2144

At its meeting on June 20, 1995, the Joint Committee on Administrative Rules considered the above cited rulemaking and recommends that the Environmental Protection Agency propose legislative action to clarify within Section 22.15(h) of the Environmental Protection Act that a broad spectrum of enforcement activities are to be supported through Solid or Municipal Waste Enforcement Grants.

The agency should respond to this Recommendation in writing within 90 days after receipt of this Statement. Failure to respond will constitute refusal to accede to the Committee's Recommendation. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF PUBLIC AID

Heading of the Part: Hospital Services

Code Citation: 89 Ill Adm Code 148

Section Numbers: 148.260(a)(1)(B)(iv)

Date Originally Published in the Illinois Register: March 17, 1995
19 Ill Reg 3167

At its meeting on June 20, 1995, the Joint Committee on Administrative Rules objected to the changes in Section 148.260(a)(1)(B)(iv) of the rulemaking entitled Hospital Services (89 Ill Adm Code 148; 19 Ill Reg 3167) because of the disproportionate impact those provisions would have on per diem rate hospitals compared to other types of hospitals.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed to be a refusal to respond under the Administrative Procedure Act and shall constitute withdrawal of this proposed rulemaking.

DEPARTMENT OF PROFESSIONAL REGULATIONS

NOTICE OF EXPEDITED CORRECTION

1) Heading of the Part: Dietetic and Nutrition Services Practice Act

2) Code Citation: 68 Ill. Adm. Code 1245

3) Section Numbers: Section 1245.100

4) Date Proposal published in Illinois Register: December 9, 1994, at 18 Ill. Reg. 17408

5) Date Adoption published in Illinois Register: June 9, 1995, at 19 Ill. Reg. 7598

6) Reason for Approval of Expedited Correction: In Section 1245.100(a)(1)(A), the words "current practice" were inadvertently dropped from the Second Notice text agreed to by JCAR and the Department. This clerical error occurred when the adopted version of the text was prepared. If this request for an expedited correction is approved, the Department will distribute the corrected text to interested parties on its mailing list. The public interest will be served by removing the confusion caused by the missing words for applicants seeking licensure in Illinois as dietitians under grandfather provisions. The effective date of the correction would be May 26, 1995, the same date of the rulemaking that is being corrected.

7) Information and questions regarding this request shall be directed to:

Department of Professional Regulation
Attention: Jean A. Courtney
320 West Washington, 3rd Floor
Springfield, IL 62786
217/785-0813 FAX: 217/782-7645

The full text of the Corrected Rule begins on the following page:

DEPARTMENT OF PROFESSIONAL REGULATIONS

NOTICE OF EXPEDITED CORRECTION

TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER VII: DEPARTMENT OF PROFESSIONAL REGULATION
SUBCHAPTER B: PROFESSIONS AND OCCUPATIONS
PART 1245
DIETETIC AND NUTRITION SERVICES PRACTICE ACT

SUBPART A: DEFINITIONS

SUBPART B: DIETITIAN

SUBPART C: NUTRITION COUNSELOR

SUBPART D: GENERAL

AUTHORITY: Implementing the Dietetic and Nutrition Services Practice Act [225 ILCS 30] and authorized by Section 60(7) of the Civil Administrative Code of Illinois [20 ILCS 2105/60(7)].

SOURCE: Adopted at 19 Ill. Reg. 7598, effective May 26, 1995; expedited correction at 19 Ill. Reg. _____, effective May 26, 1995.

DEPARTMENT OF PROFESSIONAL REGULATIONS

NOTICE OF EXPEDITED CORRECTION

SUBPART B: DIETITIAN

Section 1245.100 Application for Licensure as a Dietitian Under Section 60(a) of the Act (Grandfather)

a) Any person seeking a license without examination under Section 60(a) of the Dietetic and Nutrition Services Practice Act (the Act) shall file an application with the Department, on forms provided by the Department. The application shall be postmarked no later than December 31, 1995, and shall include the following:
   1) Verification of:
      A) current registration as a Registered Dietitian from the Commission on Dietetic Registration, the accrediting body for the American Dietetic Association, and verification of current practice in Illinois; or
      B) employment in the practice of dietetics, as defined in Section 10 of the Act, in Illinois for at least 3 of the last 5 years prior to January 1, 1992, for a minimum of 20 hours per week and certification of education and an official transcript from:
         i) A baccalaureate or post baccalaureate program in human nutrition, foods and nutrition, dietetics, food systems management or nutrition education from a school or program accredited by an accrediting agency recognized by the Commission on Recognition of Post-Secondary Accreditation (CORPA) and the United States Department of Education; or
         ii) A baccalaureate degree or post baccalaureate degree in an equivalent major course of study recommended by the Board and approved by the Department in accordance with Section 1245.130 of this Part;
   2) A complete work history since graduation from a baccalaureate program;
   3) The required fee set forth in Section 85(a) of the Act; and
   4) Certification, on forms provided by the Department, from the state or territory of the United States in which the applicant was originally licensed and the state in which the applicant is currently licensed, if applicable, stating:
      A) The time during which the applicant was licensed in that jurisdiction, including the date of original issuance of the license; and
      B) Whether the file on the applicant contains any record of disciplinary actions taken or pending.

b) Practice or employment in dietetics shall be documented by one or more of the following:
   1) Certification of experience, on forms provided by the Department, signed by an employer; or
   2) Three affidavits submitted by clients, peers or colleagues

DEPARTMENT OF PROFESSIONAL REGULATIONS

NOTICE OF EXPEDITED CORRECTION

familiar with the applicant's work.

c) When the accuracy of any submitted documentation or the relevance or sufficiency of the course work or experience is questioned by the Department or the Board because of lack of information, discrepancies or conflicts in information given or a need for clarification, the applicant seeking licensure shall be requested to:
   1) Provide such information as may be necessary; and/or
   2) Appear for an interview before the Board to explain such relevance or sufficiency, clarify information, or clear up any discrepancies or conflicts in information.

(Source: Expedited correction at 19 Ill. Reg. _____, effective May 26, 1995)

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

NOTICE OF REGULATORY FLEXIBILITY IMPACT ANALYSIS

RULES PROMULGATED BY STATE AGENCIES THAT MAY IMPACT SMALL BUSINESS

Name of Agency: Attorney General

Heading of the Part: Franchise Disclosure Act

Code Citation: 14 Ill. Adm. Code 200

Sections Involved: 200.110 thru Appendix F

Notice of Proposal Published in Illinois Register: 6-16-95

Statutory Authority: 815 ILCS 705

Information concerning this Regulatory Flexibility Impact Analysis shall be directed to:

Linda D. Brand
Department of Commerce and Community Affairs
620 E. Adams, Springfield, IL 62701
(217) 785-6354

Other pertinent information regarding these rules:

Not filed for inclusion on Regulatory Agenda, January, 1995.

After initial scrutiny, the Department of Commerce and Community Affairs has determined that the above proposed rule may impact small businesses. Publication of this notice serves to both provide the general public with information regarding specifics of the proposed rule on request, as well as elicit comments from interested parties. All comments will be considered as the analysis is formulated.

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

NOTICE OF REGULATORY FLEXIBILITY IMPACT ANALYSIS

RULES PROMULGATED BY STATE AGENCIES THAT MAY IMPACT SMALL BUSINESS

Name of Agency: Illinois Industrial Commision

Heading of the Part: Arbitration

Code Citation: 50 Ill. Adm. Code 7030

Sections Involved: 7030.10 thru 7030.100

Notice of Proposal Published in Illinois Register: 6-16-95

Statutory Authority: 720 ILCS 305/19 and 16; 820 ILCS 310/51 and 54

Information concerning this Regulatory Flexibility Impact Analysis shall be directed to:

Name: Linda D. Brand
Address: Department of Commerce and Community Affairs
620 E. Adams, Springfield, IL 62701
Telephone: (217) 785-6354

Other pertinent information regarding these rules:

Hearings: July 10, 10 a.m., 100 W. Randolph, Suite 8-243, Chicago; July 14, 10 a.m., 701 Second, Spfld.

After initial scrutiny, the Department of Commerce and Community Affairs has determined that the above proposed rule may impact small businesses. Publication of this notice serves to both provide the general public with information regarding specifics of the propose rule on request, as well as elicit comments from interested parties. All comments will be considered as the analysis is formulated.

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

NOTICE OF REGULATORY FLEXIBILITY IMPACT ANALYSIS
RULES PROMULGATED BY STATE AGENCIES THAT MAY IMPACT SMALL BUSINESS

Name of Agency: Department of Mines and Minerals

Heading of the Part: Oil and Gas Wells on Public Land

Code Citation: 62 Ill. Adm. Code 250

Sections Involved: 250.10 thru 250.90

Notice of Proposal Published in Illinois Register: June 23, 1995

Statutory Authority: 5 ILCS 615/16

Information concerning this Regulatory Flexibility Impact Analysis shall be directed to:

Name: Linda D. Brand
Address: Department of Commerce and Community Affairs
620 E. Adams
Springfield, IL 62701
Telephone: (217) 785-6354

Other pertinent information regarding these rules:

Hearings: July 21, 10:00 a.m., Department of Natural Resources, 300 W. Jefferson, Suite 300; July 31, 11:00 a.m., Ramada, Mt. Vernon

After initial scrutiny, the Department of Commerce and Community Affairs has determined that the above proposed rule may impact small businesses. Publication of this notice serves to both provide the general public with information regarding specifics of the proposed rule, on request, as well as elicit comments from interested parties. All comments will be considered as the analysis is formulated.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of June 20, 1995 through June 26, 1995, and have been scheduled for review by the Committee at its July 25, 1995 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rule should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield, IL 62706.

Second Notice Expires	Agency and Rule	Start of First Notice	JCAR Meeting
8/3/95	State Board of Education, Public Schools Evaluation, Recognition and Supervision (23 Ill Adm Code 1)	3/31/95 19 Ill Reg 4783	7/25/95
8/4/95	Department of Central Management Services, Conditions of Employment (80 Ill Adm Code 303)	5/5/95 19 Ill Reg 6222	7/25/95
8/5/95	Department of Nuclear Safety, Fees for By-Product Material Licenses (32 Ill Adm Code 334)	4/21/95 19 Ill Reg 5921	7/25/95
8/6/95	Department of Public Aid, Medical Assistance Programs (89 Ill Adm Code 120)	4/21/95 19 Ill Reg 5923	7/25/95
8/9/95	Department of Professional Regulation, Private Detective, Private Alarm and Private Security Act of 1993 (68 Ill Adm Code 1240)	5/12/95 19 Ill Reg 6445	7/25/95
8/9/95	Department of Revenue, Retailers' Occupation Tax (86 Ill Adm Code 130)	4/7/95 19 Ill Reg 5240	7/25/95
8/9/95	Department of Revenue, Retailers' Occupation Tax (86 Ill Adm Code 130)	4/14/95 19 Ill Reg 5450	7/25/95
8/9/95	Department of Transportation, Driving and Parking (92 Ill Adm Code 397)	4/28/95 19 Ill Reg 6153	7/25/95

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

8/9/95	Department of Transportation, Driving of Motor Vehicles (92 Ill Adm Code 392)	4/28/95 19 Ill Reg 6156	7/25/95
8/9/95	Department of Transportation, Hours of Service of Drivers (92 Ill Adm Code 395)	4/28/95 19 Ill Reg 6160	7/25/95
8/9/95	Department of Transportation, Inspection, Repair and Maintenance (92 Ill Adm Code 396)	4/28/95 19 Ill Reg 6166	7/25/95
8/9/95	Department of Transportation, Motor Carrier Safety Regulations: General (92 Ill Adm Code 390)	4/28/95 19 Ill Reg 6170	7/25/95
8/9/95	Department of Transportation, Parts and Accessories Necessary for Safe Operation (92 Ill Adm Code 393)	4/28/95 19 Ill Reg 6189	7/25/95
8/9/95	Department of Transportation, Procedures and Enforcement (92 Ill Adm Code 386)	4/28/95 19 Ill Reg 6193	7/25/95
8/9/95	Department of Transportation, Qualification of Drivers (92 Ill Adm Code 391)	4/28/95 19 Ill Reg 6197	7/25/95

PROCLAMATIONS

95-157
HUMAN SERVICES WEEK
(Revised)

Whereas, a disability, whether physical or mental, does not mean the end of a person's productive life; and

Whereas, human service organizations are available to help Illinois citizens adapt to new methods of achieving productive and fulfilling lives; and

Whereas, the many support services within a human service organization provide the assistance necessary to help persons with disabilities achieve self-sufficiency; and

Whereas, dedicated, professional individuals provide a foundation for citizens to achieve their goals;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim September 10-16, 1995, as HUMAN SERVICES WEEK in Illinois and commend these organizations, their staff and volunteers' dedication which benefit all citizens of the state.

Issued by the Governor March 29, 1995.

Filed by the Secretary of State June 26, 1995.

95-347
4-H WEEK

Whereas, 4-H is the largest youth organization in the State of Illinois, challenging more than 225,000 Illinois youth and adults with unique "hands on" learning each year; and

Whereas, 4-H enriches Illinois with important programs that make countless differences in the lives of youth; and

Whereas, more than 20,000 caring, nurturing adults have volunteered almost five million hours to teach 4-H youth; and

Whereas, 4-H has partnered with "Help Me Grow," Brenda Edgar's Campaign for Children, to form the "Help Me Grow 4-H Youth Ambassador Program"; and

Whereas, the "Help Me Grow 4-H Youth Ambassadors" will help raise awareness about prevention services for children so that all children grow up happy, healthy, and safe; and

Whereas, 4-H is meeting for their annual statewide conference at the University of Illinois;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 18-24, 1995, as 4-H WEEK in Illinois to recognize the outstanding contributions 4-H has on youth in Illinois.

Issued by the Governor June 19, 1995.

Filed by the Secretary of State June 26, 1995.

ILLINOIS REGISTER
ADMINISTRATIVE CODE ORDER FORM

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Springfield, IL 62756

1995

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